

Chapter 361 of NAC

ADOPTED TEMPORARY REGULATION OF THE
NEVADA TAX COMMISSION

LCB File No. T010-16

(Filed with the Secretary of State on January 10, 2017)

December 5, 2016

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

AUTHORITY: §§1-8, NRS 360.090 and 360.250.

A REGULATION relating to taxation; and amending regulations regarding the certification of property tax appraisers.

Section 1. NAC 361.547 is hereby amended to read as follows:

361.547 “ Contact hour” means 1 hour of credit toward continuing education requirements awarded by the Department for attendance at or instruction of an approved education course.

Contact hours do not include the time devoted to taking an examination.

Sec. 2. 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 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, ~~land~~ computer automated mass appraisal systems *and applied statistics*; 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, economics, finance, mining and unitary valuation* ~~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. 3. 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 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 Department may award the person [8] contact hours for each day of the course.]~~ *On the basis of the number of contact hours listed on the certificate of completion or other documentation submitted as required in subsection 2.*

(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.

~~(d)~~ (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.

~~(e)~~ (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.

~~(f)~~ (f) 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. Credit hours awarded for completion of a course are deemed final, irrespective of subsequent changes to course content or length after the date the credit hours are awarded.

~~2~~ 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 instructor of the course or the authorized representative of the organization that sponsored 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.} 4. {The Department, in consultation with the Board, may consider granting a person full credit towards the annual training requirement of 36 contact hours set forth in NRS 361.223 for 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.} *The Department, in consultation with the Board, may grant credit for coursework earned that is older than 5 years if applied to the first 180 hours earned.*~~

After 180 hours is earned, coursework submitted for continuing education credit may not be older than three years.

~~{4.} 5.~~ To qualify for a waiver of the annual training requirement pursuant to paragraph (b) of subsection 2 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.

~~15.1~~ 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 ~~15.1~~ 3-year period thereafter, the excess contact hours will not be carried forward.

~~16.1~~ 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 ~~15.1~~ 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 ~~15.1~~ 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.

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY
ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066**

**LCB FILE T010-16
Property Tax Appraiser Continuing Education Requirements**

The following statement is submitted for temporary amendments, additions and deletions, to Nevada Administrative Code (NAC) 361 adopted by the Nevada Tax Commission.

1. The Need for and Purpose of the Temporary Regulation.

The need and purpose of the adopted temporary regulation, **LCB File No. T010-16**, is to make the regulation consistent with a change in NRS 361.223 requiring continuing education of 36 hours to be taken every 3 years. The regulation also clarifies the amount of continuing education credit earned by assessors and their staffs. The regulation also provides additional topics of continuing education which may be taken for credit.

2. 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.

The Department of Taxation (Department), as staff to the Nevada Tax Commission (“NTC”) solicited comment from the public by sending notice of workshops and hearing by electronic or regular mail as follows:

| <u>Date of Notice</u> | <u>Workshop/ Hearing</u> | <u>Date of Workshop/Hearing</u> | <u>Number Notified</u> | <u>Representing Businesses</u> |
|-----------------------|------------------------------|-------------------------------------|----------------------------|------------------------------------|
| 10-3-2016 | Workshop | 10-21-2016 | 321 | 91 |
| 11-4-2016 | Hearing | 12-05-2016 | 256 | 119 |

The mailing list included the interested parties list maintained by the Department, as well as officials of local governments. These documents were also made available on the website of the Department of Taxation, www.tax.nv.gov, the legislative website at www.leg.state.nv.us and the Department of Administration website at <https://notice.nv.gov/>. These documents were also posted at the location listed in Exhibit A, attached.

Comments were received from county assessors and Department of Taxation staff during the workshop and adoption hearing.

Assessors commented on the number of hours credited for full day classes and how credits earned by new hires should be applied.

A copy of the audio taped comments or the record of proceedings or minutes of the workshops may be obtained by calling the Nevada Department of Taxation at (775) 684-2100 or by writing to the Nevada Department of Taxation, 1550 College Parkway, Carson City, Nevada 89706, or by e-mailing the Nevada Department of Taxation at CSpurlock@tax.state.nv.us.

3. The number of persons who:

(a) Attended and testified at each workshop:

| <u>Date of Workshop</u> | <u>Attended</u> | <u>Testified</u> |
|-------------------------|-----------------|------------------|
| 10-21-2016 | 26 | 5 |

(b) Attended and testified at each hearing:

| <u>Date of Hearing</u> | <u>Attended</u> | <u>Testified</u> |
|------------------------|-----------------|------------------|
| 12-05-2016 | 78 | 10 |

(c) Submitted to the agency written comments:

| <u>Date of Workshop / Hearing</u> | <u>Number Received</u> |
|-----------------------------------|------------------------|
| 10-21-2016 | 0 |

4. A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency, is attached as Exhibit B.

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

Comments were solicited from affected businesses in the same manner as they were solicited from the public. No comments from businesses or other taxpayers were received. A copy of the summary may be obtained as described in question 2.

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

The temporary regulation was adopted with no changes as no requests for changes were received. The NTC adopted the temporary regulation as presented.

7. **The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:**
 - (a) **Both adverse and beneficial effects; and**
 - (b) **Both immediate and long-term effects.**

Adverse and Beneficial Effects

The temporary regulation presents no reasonably foreseeable or anticipated adverse economic effects to businesses or to the general public.

Section 1 of the regulation defines a “contact hour” to mean 1 hour of attendance at or instruction of an approved education course. A contact hour does not include the time taking an examination. **Section 2** amends NAC 361.565 to allow relevant courses in the additional topics of applied statistics, allocation, apportionment, economics, finance and unitary valuation. **Section 3** amends NAC 361.567 to allow the Department to award contact hours on the basis of the number of contact hours listed on the certificate of completion. Credit hours awarded for completion of a course will be deemed final, irrespective of subsequent changes to course content or length after the date the credit hours are awarded. Subparagraph 4 is amended to permit the Department to grant credit for coursework earned that is older than 5 years to only be applied to the first 180 hours earned. Thereafter, coursework submitted for credit may not be older than 3 years. The reference in subparagraph 6 to a 5 year period is amended to 3 years to conform to the change in law in NRS 361.223.

Immediate and Long-Term Effects

The immediate and long-term effects will be to improve the administration of the property tax appraiser continuing education program; recognize continuing education earned prior to employment; and award credit hours based on the certificate of completion.

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

The Department does not anticipate any cost to the agency for enforcement.

9. **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 are no other state or government agency regulations that the adopted regulations duplicate.

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

The Nevada Tax Commission is not aware of any provision in this regulation which is also governed by federal regulation.

- 11. 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 regulation does not provide for a new fee, and does not increase an existing fee.

- 12. Is the proposed regulation likely to impose a direct and significant economic burden upon a small business or directly restricted the formation, operation or expansion of a small business? What methods did the agency use in determining the impact of the regulation on a small business?**

Please see attached Small Business Impact Statement.

Exhibit A
List of Locations where Notices were posted:

Department of Taxation
1550 College Parkway
Carson City, NV

Department of Taxation
Grant Sawyer Building, Suite 1300
555 E. Washington Avenue
Las Vegas, NV

Department of Taxation
4600 Kietzke Lane
Building L, Suite 235
Reno, NV

Department of Taxation
2550 Paseo Verde Parkway, Suite 180
Henderson, NV
Nevada Gaming Control Board
1919 College Parkway
Carson City, NV

Nevada Gaming Control Board
Grant Sawyer State Office Building
555 East Washington Avenue
Las Vegas, NV

Legislative Counsel Bureau
4041 South Carson Street
Carson City, NV

Clark County Government Center
500 South Grand Central Parkway
Las Vegas, NV

Nevada State Library and Archives
100 N. Stewart Street
Carson City, NV

Nevada Attorney General's Office
100 North Carson Street
Carson City, NV

In addition, the notices were faxed to the following libraries for posting:

Amargosa Valley Library
29 E. Farm Road
Amargosa Valley, NV

Boulder City Library District
701 Adams Blvd
Boulder City, NV

Carson City Library
900 N. Roop Street
Carson City, NV 89701

Clark County Library
1401 East Flamingo Road
Las Vegas, NV

Churchill County Library
553 South Maine Street
Fallon, NV 89406

Douglas County Library
1625 Library Lane
Minden, NV

Elko County Library
720 Court Street
Elko, NV

Esmeralda County Library District
Goldfield Public Library
Corner of Crook and Fourth Street
Goldfield, NV 89013-0430

Henderson District Public Libraries
Paseo Verde Library
280 S. Green Valley parkway
Henderson, NV 89012

Humboldt County Library
85 East Fifth Street
Winnemucca, Nevada 89445

Lincoln County Library
63 Main Street

Pioche, NV 89043-0330

Lyon County Library
20 Nevin Way
Yerington, NV

Lander County Library
625 S. Broad St
Battle Mountain NV 89820

Mineral County Library
First & "A" Street
Hawthorne, NV 89415

North Las Vegas Library
2250 Las Vegas Blvd
NLV, NV 89030

Pahrump Community Library
701 East Street
Pahrump, NV 89048

Pershing County Library
1125 Central Avenue
Lovelock, NV

Round Mountain Public Library
73 Hadley Circle
Round Mountain, NV

Storey County Library
26 S. B St
Virginia City, NV 89440

Tonopah Library District
167 S Central St
Tonopah, NV 89049

Washoe County Library
4001 S. Virginia St.
Reno NV

White Pine County Library
950 Campton Street
Ely, NV