

**PROPOSED REGULATION OF THE
REAL ESTATE DIVISION**

LCB FILE NO. R141-17I

**The following document is the initial draft regulation proposed
by the agency submitted on 11/28/2017**

Section 1. Chapter 645D of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this regulation.

Sec. 2. *“Energy assessment” defined. “Energy assessment” has the meaning ascribed to it in paragraph (a) of subsection 5 of NRS 645D.300.*

Sec. 3. *“Limited energy audit” defined. “Limited energy audit” has the meaning ascribed to it in paragraph (b) of subsection 5 of NRS 645D.300.*

Sec. 4. *“Program provider” defined. “Program provider” means a business, organization or entity that has been approved by the Division to offer and conduct an approved program.*

Sec. 5. *“License” defined. “License” means a license issued to an energy auditor pursuant to chapter 645D of NRS.*

Sec. 6. **New subsection heading:** *Qualifications for License*

Sec. 7. *NAC 645D.2301 Requirements for license as energy auditor.*

1. An applicant for a license must provide proof satisfactory to the Division that the applicant:

(a) Has completed not less than 40 hours of training and practice in the areas identified in paragraph (c) of subsection 1 of NRS 645D.205 in an approved program; and

(b) Holds a current certification or accreditation from a nationally recognized professional energy auditing certification or accreditation program with standards of performance and conduct which includes the requirement of continuing education to maintain certification or accreditation

and that is approved by the Administrator.

2. An applicant who has been issued a license to practice as an energy auditor in another state or territory of the United States which was suspended or revoked shall:

(a) Disclose to the Division;

(1) The reason for the suspension or revocation of the license; and

(2) Any disciplinary action taken as a result of such suspension or revocation; and

(b) Provide to the Division documentation of the reinstatement of the license, if applicable.

Sec. 8. NAC 645D.075 is hereby amended to read as follows:

645D.075 1. The Administrator may establish an advisory committee to assist him or her with any matter that the Administrator determines is appropriate for submission to an advisory committee.

2. The Administrator shall create and maintain a list of the persons he or she approves to serve on an advisory committee. A person approved to serve on an advisory committee must:

(a) Be a ~~certificate~~ holder *of a license or certificate* on active status and in good standing with the Division;

(b) Have been actively engaged in business as a certified inspector *or energy auditor* in this State for at least the 3 years immediately preceding the date of the person's approval; and

(c) Have been a resident of this State for not less than 5 years.

3. If the Administrator determines to establish an advisory committee, he or she shall appoint

three persons to serve on the committee from the list of approved persons. At least one member of the advisory committee must be a certified master inspector *or energy auditor*. The Administrator shall appoint one member of the advisory committee to serve as its chair.

4. A member of an advisory committee serves:

(a) At the pleasure of the Administrator;

(b) Without compensation; and

(c) Is entitled to receive the per diem allowance and travel expenses provided by law for state officers and employees generally for the period during which the member was engaged in the discharge of the member's duties.

Sec. 9. NAC 645D.090 is hereby amended to read as follows:

645D.090 1. Except as otherwise provided in subsection 2, this chapter applies to any person who:

(a) Performs ~~inspections~~ *an inspection* of residential or commercial property ~~is~~ *energy audit, limited energy audit or energy assessment;* and

(b) Signs a document regarding the inspection, *audit or assessment* in a way that designates the person as a "certified inspector ~~is~~" *or "energy auditor."*

2. This chapter does not apply to any person exempted from the provisions of chapter 645D of NRS pursuant to NRS 645D.100.

Sec. 10. NAC 645D.095 is hereby amended to read as follows:

645D.095 1. If a person submits a check or draft to the Division to obtain a certificate, *license*, approval, accreditation or other type of authorization to engage in an activity for which authorization is required pursuant to this chapter ~~64~~ or chapter 645D of NRS, and the check or draft is returned to the Division because the person had insufficient money or credit with the drawee to pay the check or draft or because the person stopped payment on the check or draft:

(a) The certificate, *license*, approval, accreditation or other type of authorization obtained by the person from the Division is automatically invalidated; or

(b) If the person has not obtained the certificate, *license*, approval, accreditation or other type of authorization from the Division, the Division may refuse to issue or reinstate the authorization.

2. In accordance with NRS 353C.115 and NAC 353C.400, the Division will charge a person, for each check or draft returned to the Division because the person had insufficient money or credit with the drawee to pay the check or draft or because the person stopped payment on the check or draft, a fee of \$25 or such other amount as may subsequently be required by NRS 353C.115 and NAC 353C.400.

Sec. 11. NAC 645D.150 is hereby amended to read as follows:

645D.150 In addition to the information required by NRS 645D.170, an application for a certificate *or license* must include the following information:

1. ~~Two~~ *One* completed fingerprint card~~s~~ of the applicant;
2. One recent photograph of the applicant; and

3. A document which proves that the applicant has:

(a) Error and omissions insurance of at least \$100,000; and

(b) Liability insurance of at least \$100,000.

Sec. 12. NAC 645D.160 is hereby amended to read as follows:

645D.160 The fee for an application for a certificate *or license* is nonrefundable.

Sec. 13. NAC 645D.165 is hereby amended to read as follows:

645D.165 1. The Division will charge and collect, from each person who applies for a certificate *or license*, a fee for any investigation of the person's background undertaken pursuant to NRS 645D.180.

2. The fee will not exceed the actual cost to conduct the investigation.

Sec. 14. NAC 645D.170 is hereby amended to read as follows:

645D.170 Each application for a certificate as an inspector *or a license as an energy auditor* must be completed personally by the applicant. Employees of the Division shall not help a person prepare his application.

Sec. 15. NAC 645D.180 is hereby amended to read as follows:

645D.180 The Administrator shall not:

1. Accept an application for a certificate as an inspector *or a license as an energy auditor* from a person under 17 years of age; or

2. Issue a certificate *or license* to a person under 18 years of age.

Sec. 16. NAC 645D.2315 is hereby amended to read as follows:

645D.2315 “Approved course” means a course *or program* of instruction offered *by an approved school or program provider* in preparation for an original certificate *or license* that has been approved by the Division.

Sec. 17. NAC 645D.234 is hereby amended to read as follows:

645D.234 **Approval of school *or program provider* required; application for approval.** (NRS 645D.120) Before any school *or program provider* offers or conducts a course of instruction *or program* in preparation for an original certificate *or license*, the school *or program provider* must be approved by the Division. The application for approval must be made on a form prescribed by the Division. The application must include the following information for determining the eligibility of the school *or program provider* for approval:

1. The name, ~~and~~ address, *telephone number, electronic mail address, internet website and facsimile number* of the school *or program provider*;
2. The type of school *or program provider* and a description of its facilities;
3. The names of the owners of the school, *or program provider* including, if applicable, the name of the business organization that owns the school *or program provider* and the names and addresses of all directors, principals, officers and other persons having interests as owners;
4. A list of *names and addresses of [the]* instructors and evidence of their qualifications;
5. A list of the courses to be offered and a topical syllabus for each course *or program*;

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 ~~(a)~~ *each quiz and/or* examination and the correct answer for each question;
10. A statement of the:
 - (a) Purpose of the school *or program provider*;
 - (b) Fees to be charged;
 - (c) Days, times and locations of classes *or programs*;
 - (d) Number of quizzes and examinations;
 - (e) Grading systems, including the methods of testing and standards of grading;
 - (f) Requirements for attendance;
 - (g) The policy for cancellation or refunds;* and
 - ~~(g)~~ *(h)* Location of the students' records;
11. Confirmation that the school *or program provider* administers a final examination for each class *or program* that is conducted in the presence of a proctor; and
12. Any other information that the Division finds necessary to determine the suitability of the school *or program provider* to offer and conduct a course of instruction *or program* in preparation for an original certificate *or license*.

Sec. 18. NAC 645D.235 is hereby amended to read as follows:

645D.235 **Approved schools *or program providers*: Notice of material change; annual renewal of approval.** 1. Within 15 days after the occurrence of any material change in an

approved school *or program provider* which would affect its approval by the Division, the school *or program provider* shall give the Division written notice of that change.

2. To qualify for annual renewal of approval by the Division, an approved school *or program provider* must submit to the Division before July 1:

(a) A written certification, in a form prescribed by the Division, declaring that the school *or program provider* meets all applicable requirements of this chapter; and

(b) A sworn statement, in a form prescribed by the Division, declaring that the information contained in the original application is current or, if it is not current, a list of all material changes.

3. The Division may deny renewal of approval to any school *or program provider* that does not meet the standards required by this chapter.

4. Within 60 days after a decision is made to deny renewal of approval, the Division will send written notice of the decision and the basis for that decision by certified mail to the last known address of the school *or program provider*.

Sec. 19. NAC 645D.236 is hereby amended to read as follows:

645D.236 **Approved schools: Records concerning students.** An approved school *or program provider* shall, as a condition of the approval:

1. Maintain a record of each student's attendance and certification in an approved course *or program*. The records must:

(a) Include, without limitation:

(1) The name of the student;

(2) The title, description and number of the approved course *or program*;

(3) The dates of attendance;

(4) The hours of instruction attended by the student;

(5) The score achieved by the student on the final examination; and

(6) A statement of whether the student passed or failed the approved course *or program*;

(b) Be maintained for 3 years after the enrollment of the student; and

(c) Remain open for inspection by the Division, upon its request, during the school's *or program provider's* business hours.

2. Upon the request of a transferring student, furnish the school *or program provider* to which the student is transferring a copy of his attendance record and certification for each approved course *or program* that he has completed.

3. Upon the request of a student, furnish the Division with a transcript of the record of the grades and attendance of the student.

Sec. 20. NAC 645D.238 is hereby amended to read as follows:

645D.238 **Approved schools *or program provider*: Certification requirements.** 1. An

approved school *or program provider* shall require each student in an approved course *or program* to attend the required number of hours of instruction and pass a final examination in the approved course *or program* with a score of not less than 75 percent to attain certification.

2. The school may certify only the number of hours for which the course *or program* has been approved by the Division.

3. The completion of a portion of an approved course *or program* is not acceptable to satisfy certification *or licensure* requirements.

Sec. 21. NAC 645D.241 is hereby amended to read as follows:

645D.241 **Approved schools *or program provider*: Hearing on denial or withdrawal of approval of course, *program, program provider* or school.** (NRS 645D.120)

1. A school *or program provider* may file with the Division a written request for a hearing before a hearing officer if the:

(a) School's *or program provider's* application for approval of a course *or program* is denied; or

(b) Administrator determines that an approved school, *program, program provider* or course no longer complies with the standards prescribed in this chapter and the approval of the school, *program, program provider* or course is withdrawn.

2. Except as otherwise provided in NAC 645D.2446, the request must be filed within 20 calendar days after receiving the order of denial or withdrawal of approval. Except as otherwise provided in NAC 645D.2446, the hearing officer shall hold the hearing within 90 calendar days after the request for a hearing is filed unless the school *or program provider* makes a written request for a continuance and the hearing officer grants that request. The hearing officer shall decide the matter within 90 calendar days after the hearing. Except as otherwise provided in this subsection, the hearing officer shall conduct the hearing in the same manner as a hearing conducted pursuant to NAC 645D.700.

Sec. 22. NAC 645D.242 is hereby amended to read as follows:

645D.242 **Approved schools *or program providers*: Misrepresentation in advertising.** (NRS 645D.120) An approved school *or program provider* shall not make any misrepresentation in its advertising about any course of instruction *or program* that it offers in preparation for an original certificate *or license*.

Sec. 23. NAC 645D.2425 is hereby amended to read as follows:

645D.2425 **Approved schools *or program providers*: Prohibited acts.** (NRS 645D.120) An approved school *or program provider* shall not:

1. Present a course *or program* for the purpose of selling products and must limit the announcement of products during the course *or program* to not more than 1 minute for each hour of instruction;

2. Allow a student to pass a course *or program* by taking an examination without having attended the required hours of instruction; or

3. Provide more than 8 hours of instruction per day in an approved course *or program*.

Sec. 24. NAC 645D.243 is hereby amended to read as follows:

645D.243 Approved schools *or program providers*: Qualifications and presence of instructors; guest lecturers. (NRS 645D.120)

1. An approved school *or program provider* shall employ as an instructor of an approved course *or program* only a person who possesses:

(a) A good reputation for honesty, integrity and trustworthiness;

(b) The ability to exercise control over the students in the classroom *or training and practice location*; and

(c) At least one of the following qualifications, unless granted a special exemption by the Division:

(1) A bachelor's degree in the field in which the person is instructing.

(2) Current experience teaching subjects relating to the inspection of structures *or energy audits* in the Nevada System of Higher Education or another institution which awards degrees.

(3) Five years of full-time experience, other than in a secretarial position, working in a job directly related to the subject taught.

(4) Three years of experience teaching the specific subject *as an accredited instructor by an organization that issues a certification or accreditation approved by the Division.*

2. An instructor must demonstrate to the satisfaction of the Division the academic training or work experience that qualifies him to teach an approved course *or program.*

3. An approved school *or program provider* shall not employ, without the written approval of the Division, an instructor who has been subject to discipline by the Division or any licensing authority:

(a) Within the 5 years immediately preceding the employment; or

(b) More than twice.

4. An approved school *or program provider* shall limit guest lecturers who are not approved as instructors by the Division to a total of 10 percent of the instructional hours of an approved course *or program.* A guest lecturer must be an expert in the subject that he teaches.

5. An approved instructor must be present in the classroom *or training and practice location* at all times during the hours of instruction of an approved course *or program.*

Sec. 25. NAC 645D.244 is hereby amended to read as follows:

645D.244 Approved schools *or program providers*: Revocation of approval of instructor. (NRS 645D.120)

1. The Division may revoke its approval of a particular instructor who is employed by an approved school *or program provider* if:

(a) Any licensing authority has taken disciplinary action against the instructor;

(b) The instructor fails to exercise control over the students in the classroom *or training and practice location* or maintain complete records of their attendance; or

(c) After an audit of the course *or program* and review of the evaluations of the course *or program*, the Division concludes that the instructor is not qualified to instruct the course *or program*.

2. The Division will give the instructor, ~~and~~ school, *or program provider* written notice that it has revoked the approval of the instructor. The written notice must specify the reason for the revocation.

3. An instructor may appeal the decision of the Division to revoke his approval by making a written demand to the Division for a hearing within 20 days after the instructor receives the written notice pursuant to subsection 2.

4. Within 90 days after receipt of a written demand for such a hearing, a hearing officer shall conduct the hearing.

Sec. 26. NAC 645D.2442 is hereby amended to read as follows:

645D.2442 **Approved schools *or program providers*: Requirements and conditions for approval of course *or program*; notice of material change in approved course *or program*.** (NRS 645D.120)

1. An approved school *or program provider* shall not offer or conduct a course of instruction *or program* in preparation for an original certificate *or license* unless the course *or program* is

approved by the Division. An application for approval must be submitted on a form provided by the Division.

2. The approval of the Division for a course of instruction *or program* offered in preparation for an original certificate *or license* expires each year on June 30.

3. An approved school *or program provider* must apply annually for reapproval of an approved course *or program*. The application must be submitted on a form provided by the Division and describe any changes in the approved course *or program* since its last approval. The form must be received by the Division not later than June 1.

4. An approved school *or program provider* shall notify the Division within 15 days after making any material change in an approved course *or program*.

5. The approval of any course of instruction *or program* offered in preparation for an original certificate *or license* is subject to the condition that the Division may audit and evaluate the presentation of an approved course *or program*. An approved school *or program provider* shall admit an auditor provided by the Division.

6. Each of the following acts and conditions is a ground for the Division to withdraw its approval of a course *or program*:

(a) Poor quality of the curriculum or instruction, as demonstrated by an evaluation or audit.

(b) Violation of any of the provisions of this chapter.

(c) Failure of an instructor to exercise control over the students in the classroom, *training or practice location and [or]* to maintain complete records of their attendance.

Sec. 27. NAC 645D.2444 is hereby amended to read as follows:

645D.2444 **Approved courses *or programs*: Monitoring and evaluation; restrictions on approval.** (NRS 645D.120)

1. The Division will monitor and evaluate an approved course *or program*. ~~{The courses will be evaluated with the assistance of the Nevada System of Higher Education.}~~

2. The Division will not approve a course *or program* designed to develop or improve clerical, office or business skills that are not related to the inspection *or audit* process, including, but not limited to, typing, shorthand, the operation of business machines, the use of computers, improvement of memory, writing letters or business courses in advertising, marketing or psychology, as a course of instruction *or program* in preparation for an original certificate *or license*.

Sec. 28. NAC 645D.2446 is hereby amended to read as follows:

645D.2446 **Approved courses *or program*: Withdrawal of approval.** (NRS 645D.120)

1. If the Administrator determines, whether pursuant to an audit or otherwise, that an approved course *or program* does not meet the standards for such a course *or program* set forth in this chapter, the Administrator shall notify the approved school *or program provider* of his intent to withdraw approval of the course *or program*. The notice must include the specific reasons upon which the Administrator is basing his decision to withdraw approval of the course *or program*. Not later than

30 days after the date on which the approved school *or program provider* receives the notice, the school *or program provider* may provide a written response to the Administrator that clearly sets forth the reasons why approval of the course *or program* should not be withdrawn and specifies any corrective measures that the school *or program provider* will undertake. After the 30-day period has elapsed, the Administrator shall review the notice and any response submitted by the school *or program provider* and:

- (a) Withdraw approval of the course *or program*;
- (b) Allow the course *or program* to remain approved if certain specific conditions are met; or
- (c) Allow the continued approval of the course *or program*.

↪ If the Administrator decides to withdraw approval of the course *or program*, the withdrawal of approval of the course *or program* becomes effective upon the mailing of the Administrator's decision to withdraw approval to the approved school *or program provider* by certified mail, return receipt requested, to the school's *or program provider's* last known business address.

2. If the Administrator withdraws approval of a course *or program*, the Division will give credit to a student for completing the course if the student began the course *or program* before the approved school *or program provider* received written notice of the withdrawal of approval of the course *or program*.

3. The approved school *or program provider* may contest the decision of the Administrator to withdraw approval of a course *or program* by making a written demand to the Division for a hearing

not later than 30 days after the date on which the withdrawal of the approval of the course *or program* becomes effective.

4. The Division will, within 90 days after receiving the demand for a hearing, set a date for the hearing and notify the approved school *or program provider* of the date.

Sec. 29. NAC 645D.2472 is hereby amended to read as follows:

645D.2472 Approved courses *or programs*: Contents of form for registration and advertising. (NRS 645D.120)

1. The form for registration for an approved course *or program* must set forth, in writing, the policy of the approved school *or program provider* concerning cancellation and refunds.

2. Any advertising or promotional brochure for an approved course *or program* must specify that the course *or program* is approved by the Division.

Sec. 30. NAC 645D.2474 is hereby amended to read as follows:

645D.2474 Approved courses *or programs*: Information required on materials used in course *or program*. (NRS 645D.120) An approved school *or program provider* shall state on all materials, other than copyrighted materials, used in an approved course *or program*:

1. That the course *or program* is approved by the Division; and
2. The number of hours of credit toward satisfying the educational *or training and practice* requirement for an original certificate *or license* for which the Division has approved the course *or program*.

Sec. 31. NAC 645D.2476 is hereby amended to read as follows:

645D.2476 **Approved courses *or programs*: Maximum hours of credit per day.** (NRS

645D.120) The Division will not allow credit for more than 8 hours of instruction per day of any approved course *or program*.

Sec. 32. NAC 645D.2478 is hereby amended to read as follows:

645D.2478 **Approved courses *or programs*: Certificate of completion.** (NRS 645D.120) An approved school *or program provider* shall provide a certificate of completion to a student who completes an approved course *or program*. The Division will accept the certificate as proof of the student's completion of the approved course *or program*. The certificate of completion must include, without limitation:

1. The name of the approved school *or program provider*;
2. The title, description and number of the approved course *or program*;
3. The name of the student;
4. The number of hours of instruction attended by the student;
5. The date of completion of the approved course *or program*;
6. An original signature of a person authorized to sign for the approved school *or program provider*; and
7. The statement: "This course *or program* is approved by the Nevada Real Estate Division."

Sec. 33. NAC 645D.300 is hereby amended to read as follows:

645D.300 1. The Division will grant a certificate *or license* to each applicant who complies with all provisions of this chapter and chapter 645D of NRS governing certification *or licensure* as a residential inspector, general inspector, ~~[☒]~~ master inspector *or energy auditor*.

2. Upon receiving the certificate *or license*, the certified inspector *or licensed energy auditor* may conduct the business of a certified residential inspector, certified general inspector, ~~[☒]~~ certified master inspector *or licensed energy auditor*, as applicable, in this state.

Sec. 34. NAC 645D.310 is hereby amended to read as follows:

645D.310 **Authority of certificate *or license* limited to person to whom issued or place of business specified.** (NRS 645D.120) A certificate *or license* issued pursuant to this chapter must not give authority to do or perform any act specified in this chapter to any person other than the person to whom the certificate *or license* is issued, or from any place of business other than that specified therein.

Sec. 35. NAC 645D.320 is hereby amended to read as follows:

645D.320 **Form of certificate *or license*.** (NRS 645D.120, 645D.230) The Division will issue a certificate *or license* to each eligible person in such form and size as is prescribed by the Division. Each certificate *or license* will, in addition to the information required pursuant to NRS 645D.230:

1. Set forth the type of certificate *or license*; and
2. Have imprinted thereon the seal of the Division.

Sec. 36. NAC 645D.330 is hereby amended to read as follows:

645D.330 **Display of certificate *or license*.** (NRS 645D.120) Each certified inspector *or energy auditor* shall display his certificate *or license* conspicuously in his place of business.

Sec. 37. NAC 645D.335 is hereby amended to read as follows:

645D.335 **Insurance: Failure to maintain; proof.** (NRS 645D.120, 645D.190)

1. The certificate of a certified inspector *or license of an energy auditor* who fails to maintain, or whose employer fails to maintain, a policy of insurance required by NRS 645D.190 expires by operation of law on the 60th day after the certified inspector *or energy auditor* ceases to be covered by the policy.

2. The proof of insurance submitted by an applicant for an original certificate *or license* or applicant for renewal of a certificate *or license* pursuant to NRS 645D.190 must include the name of the applicant as it appears, or will appear, on his certificate *or license*.

Sec. 38. NAC 645D.340 is hereby amended to read as follows:

645D.340 **Compliance with local zoning requirements for location of certain offices.** (NRS 645D.120) If a certified inspector *or energy auditor* chooses to establish an office in a private home or in conjunction with another business, his business location must comply with local zoning requirements.

Sec. 39. NAC 645D.360 is hereby amended to read as follows:

645D.360 **Change of employer, name or status; temporary working permit.** (NRS 645D.120)

1. A holder of a certificate *or license* 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 holder of a certificate *or license* 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 certificate *or license*.

Sec. 40. NAC 645D.370 is hereby amended to read as follows:

645D.370 **Inactive status: Application; renewal of certificate *or license* required.** (NRS 645D.120)

1. A holder of a certificate *or license* may be placed on inactive status by applying to the Division on the appropriate form. The holder of a certificate *or license* is not entitled to a refund of any part of the fees paid for the unexpired term of his certificate *or license*.

2. A holder of a certificate *or license* who is on inactive status must apply for the renewal of his certificate *or license* on or before each anniversary of his certificate.

Sec. 41. NAC 645D.380 is hereby amended to read as follows:

645D.380 **Inactive status: Requirements for reinstatement.** (NRS 645D.120)

1. A holder of a certificate *or license* who is in good standing with the Division and who is on inactive status may apply to the Division to be reinstated to active status. The application must:

(a) Be on a form supplied by the Division;

(b) Be accompanied by the required fees; *and*

(c) Be accompanied by a current, completed fingerprint card if the holder of the certificate *or license* has been on inactive status for at least 1 year. ~~}; and}~~

~~{(d)}~~2. *A holder of a certificate or license who is in good standing with the Division and who is on inactive status may apply to the Division to be reinstated to active status. The application must contain* ~~Contain}~~ evidence that the requirements for continuing education have been fulfilled.

~~{2}~~3. A holder of a certificate *or license* who is placed on inactive status for his failure to comply with this chapter remains inactive until an application for reinstatement has been approved by the Division.

Sec. 42. NAC 645D.390 is hereby amended to read as follows:

645D.390 Educational requirements for renewal or reinstatement of certificate *or license*. (NRS 645D.120) 1. To renew an active certificate, a certified inspector must complete 20 hours of approved education, including, without limitation:

(a) At least 3 hours of instruction on issues relating to the safety of any inhabitants of a structure being inspected and the inspector conducting the inspection; and

(b) At least 2 hours of instruction on the provisions of this chapter and chapter 645D of NRS.

↪ The education must be completed in the 2 years immediately preceding the date of renewal.

2. To reinstate a certificate expired more than 60 days but less than 1 year, a certified inspector must complete 30 hours of approved education, including, without limitation:

(a) At least 3 hours of instruction on issues relating to the safety of any inhabitants of a structure being inspected and the inspector conducting the inspection; and

(b) At least 2 hours of instruction on the provisions of this chapter and chapter 645D of NRS.

3. As used in this section, “hour of approved education” means at least 50 minutes of actual time spent receiving instruction in a course approved by the Division.

4. To renew an active license, an energy auditor must hold a current certification or accreditation from a nationally recognized professional energy auditing certification or accreditation program with standards of performance and conduct which includes the requirement of continuing education to maintain certification or accreditation and that is approved by the Administrator.

Sec. 43. NAC 645D.400 is hereby amended to read as follows:

645D.400 **Delivery of certificate *or license* to Division.** (NRS 645D.120) If the certificate of a certified inspector *or license of an energy auditor* is cancelled, suspended or revoked, he shall deliver his certificate to the Division. No refund will be given when a certificate *or license* is cancelled, suspended or revoked.

Sec. 44. NAC 645D.410 is hereby amended to read as follows:

645D.410 **Filing of affidavit for lost, destroyed or stolen certificate *or license* that must be surrendered.** (NRS 645D.120) If a certificate *or license* must be surrendered and it is not, the holder of the certificate *or license* shall file an affidavit with the Division showing that the certificate

or license has been lost, destroyed or stolen. The affidavit must contain the holder's promise to surrender the certificate *or license* if it is recovered.

Sec. 45. NAC 645D.420 is hereby amended to read as follows:

645D.420 **Cancellation of certificate *or license* for failure to report change of address.** (NRS 645D.120) If the Division determines that a certified inspector *or licensed energy auditor* has discontinued business at the address at which he holds a certificate *or license* and this fact has not been reported to the Division, his certificate *or license* may be cancelled by the Division.

Sec. 46. NAC 645D.460 is hereby amended to read as follows:

645D.460 A certified inspector *or energy auditor* shall:

1. Perform his duties with the highest standard of integrity, professionalism and fidelity to the public and the client, with fairness and impartiality to all.
2. Avoid association with any person or enterprise of questionable character or any endeavor that creates an apparent conflict of interest.
3. Conduct his business in a manner that will assure his client of the inspector's *or auditor's* independence from outside influence and interest which would compromise his ability to render a fair and impartial inspection, *energy audit, limited energy audit or energy assessment*.
4. Not disclose any information concerning the results of an inspection, *energy audit, limited energy audit or energy assessment* without the approval of the client or his representative for whom the inspection, *energy audit, limited energy audit or energy assessment* was performed.

5. Not accept compensation, financial or otherwise, from more than one interested party for the same service on the same property without the consent of all interested parties.

6. Not, whether directly or indirectly, accept a benefit from, or offer a benefit to, a person who is dealing with the client in connection with work for which the inspector *or energy auditor* is responsible. As used in this subsection, “benefit” includes, without limitation, a commission, fee, allowance, or promise or expectation of a referral for other work.

7. Not express the estimated market value of an inspected property while conducting an inspection, *energy audit, limited energy audit or energy assessment*.

8. Not use the term or designation “state certified inspector” *or “state licensed energy auditor”* unless he is certified *or licensed*.

9. Before the execution of a contract to perform an inspection, *energy audit, limited energy audit or energy assessment*; disclose to the client any interest of the inspector *or energy auditor* in a business that may affect an interest of the client.

10. Not allow his interest in any business to affect the quality or results of an inspection, *energy audit, limited energy audit or energy assessment*.

Sec. 47. NAC 645D.470 is hereby amended to read as follows:

645D.470 A certified inspector *or energy auditor* shall not, while making an inspection, *energy audit, limited energy audit or energy assessment*:

1. Offer to perform or perform any act or service that is unlawful.

2. Offer warranties or guaranties of any kind.
3. Offer to perform or perform any job function for which he does not have a license *or certificate*, including, but not limited to, the services of an engineer, architect, plumber or electrician.
4. Calculate the strength, adequacy or efficiency of any system or component, *unless licensed or certified to make such a calculation*.
5. Enter any area or perform any procedure that may damage any part of the structure being inspected, *audited or assessed*; or endanger any person, including, but not limited to, the certified inspector *or energy auditor*.
6. Operate any system or component that is shut down or otherwise inoperable.
7. Operate any system or component that does not respond to normal operating controls.
8. Determine the presence or absence of any suspected adverse environmental condition or hazardous substance, including, but not limited to, toxins, molds and other fungi, carcinogens, radon, noise or contaminants, unless he is licensed or certified to make such ~~inspections and determinations~~ *a determination*.
9. Determine the effectiveness of any system installed to control or remove suspected hazardous substances, *unless licensed or certified to make such a determination*.
10. Predict the future condition of any system or component, including, but not limited to, the failure of a component, *unless licensed or certified to make such a prediction*.

11. Project the operating costs of any component, *unless licensed or certified to make such a projection.*

12. Repair a defect identified during the inspection, *energy audit, limited energy audit or energy assessment.*

Sec. 48. NAC 645D.600 is hereby amended to read as follows:

645D.600 In determining whether a certified inspector *or energy auditor* is guilty of unprofessional conduct or professional incompetence, the Division will consider, among other things, whether the inspector *or energy auditor* has:

1. Failed to perform ~~an~~:

(a) An inspection and prepare a complete ~~inspection~~ report of the inspection in accordance with NAC 645D.450 to 645D.580, inclusive; or

(b) An energy audit, limited energy audit or energy assessment and prepare a complete report of the audit or assessment pursuant to NRS 645D.300;

2. Done his utmost to protect the public against fraud, misrepresentation or unethical practices relative to his profession;

3. Made an inspection, *energy audit, limited energy audit or energy assessment* and prepared ~~an inspection~~ a report of any property outside of his field of experience or competence without the assistance of a qualified authority; or

4. Adequately documented any required disclosures of his interest in any property with which he is dealing.

Sec. 49. NAC 645D.610 is hereby amended to read as follows:

645D.610 In any advertisement through which a certified inspector *or energy auditor* offers to perform services for which a certificate *or license* is required pursuant to this chapter, he shall disclose the name under which he does business and the type of certificate *or license* he holds.

Sec. 50. NAC 645D.620 is hereby amended to read as follows:

645D.620 1. A certified inspector *or energy auditor* shall keep at his place of business, or other location approved by the Division, a copy of the ~~inspection~~ report, work file and any other pertinent information relating to each inspection, *energy audit, limited energy audit or energy assessment* he conducts for at least 3 years after the completion of the inspection, *audit or assessment*. Only one set of files need be maintained, but the information must be available to all participating inspectors, *auditors and the Division*.

2. ~~All inspections~~ *Each inspection, energy audit, limited energy audit or energy assessment* conducted by a certified inspector *or energy auditor* must be filed in an orderly fashion, including, but not limited to, numerically, chronologically by date or alphabetically, to permit an audit by a representative of the Division.

3. The ~~inspection~~ report, work file and other pertinent information relating to an inspection, *energy audit, limited energy audit or energy assessment* must be open to inspection and audit by the

Division upon its request during its usual business hours, as well as other hours during which the certified inspector *or energy auditor* regularly conducts his business.

4. The certified inspector *or energy auditor* shall give written notice to the Division of the exact location of his records and may not remove them until he has delivered a notice that informs the Division of the new location.

Sec. 51. NAC 645D.630 is hereby amended to read as follows:

645D.630 1. The Division may use a form of its design to conduct any office examination and require the certified inspector, *energy auditor* or his office manager to sign such a form.

2. An examination must include, without limitation:

(a) The address of the office;

(b) The system used in filing records;

(c) Advertising; ~~and~~

(d) *The office file for inspections or audits which have been performed, and*

(e) The availability of current statutes and regulations at the place of business.

Sec. 52. NAC 645D.640 is hereby amended to read as follows:

645D.640 A certified inspector *or energy auditor* shall, upon demand, provide the Division with the documents and the permission necessary to complete fully an office examination and audit of his records.

Sec. 53. NAC 645D.650 is hereby amended to read as follows:

645D.650 1. The Division will prepare and require a standard form or affidavit for use in making a citizen's complaint. This form may require any information the Division considers pertinent.

2. Except as otherwise provided in subsection 3, if a citizen's complaint is made, the Division will investigate any action that appears to violate a provision of chapter 645D of NRS or this chapter and need not be limited to the matter in the complaint.

3. If a citizen's complaint or a formal complaint is made against a certified inspector *or energy auditor*, the Division will:

(a) Not investigate the complaint unless the complaint:

(1) Is in writing, signed and dated;

(2) Contains the mailing address and daytime telephone number of the person making the complaint; and

(3) Contains the complete address *or location* of the structure, *appliance or system* that is the subject of the complaint.

(b) Require a certified inspector *or energy auditor* to maintain all records relating to the complaint until the issue is resolved.

4. A certified inspector *or energy auditor* shall disclose all facts and documents pertinent to an investigation to members of the Division's staff conducting the investigation.

5. If the Division determines that sufficient evidence exists to establish a violation, it will prepare and file a formal complaint. If insufficient evidence exists, the Division may dismiss the matter without prejudice at any time.

Sec. 54. NAC 645D.660 is hereby amended to read as follows:

645D.660 1. The Division may grant any certified inspector *or energy auditor* not more than 10 calendar days to correct any deficiency involving advertising, the location of his business or office operation. A notice of the deficiency and a request to correct the deficiency must be mailed to the certified inspector *or energy auditor*. Failure to comply with the request may be grounds for the suspension or revocation of a certificate *or license*. The notice must be sent on a form provided by the Division and set forth the deficiencies or violations, the recommended action and the date by which the deficiencies must be corrected.

2. The Division may grant an extension for a definite time to correct the deficiency whenever the correction requires additional time.

Sec. 55. NAC 645D.730 is hereby amended to read as follows:

645D.730 1. Any person aggrieved by an action of the Division, except the revocation or suspension of a certificate *or license* issued pursuant to this chapter, may petition the Division for reconsideration of its action ~~within~~ *not later than* 15 days after ~~its~~ *issuance of the* order.

2. The petition must be in writing and state in detail the grounds on which the petitioner relies.

3. If the petitioner desires to present oral argument with his petition, oral argument must be requested in writing at the time the petition is submitted to the ~~Administrator~~ *Division*. If oral argument is requested, the Division will set a time for a hearing to occur not later than 20 days after receipt of the petition. The Division will ~~give at least 15 days²~~ *provide* notice of the hearing *to the petitioner not later than 15 days before the hearing*.

4. Not later than 15 days after receiving the petition or hearing of oral argument, the Division will render a decision in writing to the petitioner.