

**ADOPTED REGULATION OF THE
REAL ESTATE DIVISION OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R214-97

§§ 1-21, 24, 25, 26 and 28-73 effective May 11, 1998, §§ 22 and 27 effective July 1, 1998, § 23 effective January 1, 1999

EXPLANATION - Matter in *italics* is new; matter in brackets [] is material to be omitted.

AUTHORITY: §§2-73, NRS 645D.120.

Section 1. Chapter 645D of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 71, inclusive, of this regulation.

Sec. 2. *As used in this chapter, unless the context otherwise requires, the words and terms defined in sections 3 to 7, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Administrator” means the real estate administrator.*

Sec. 4. *“Division” means the real estate division of the department of business and industry.*

Sec. 5. *“Certificate” means a certificate issued to an inspector pursuant to chapter 645D of NRS.*

Sec. 6. *“Certified inspector” means an inspector to whom a certificate has been issued pursuant to chapter 645D of NRS, including, but not limited to:*

- 1. A certified residential inspector;*
- 2. A certified general inspector; and*

3. *A certified master inspector.*

Sec. 7. *“Readily accessible” means that the item being inspected is accessible without the certified inspector having to:*

1. *Move furniture or stored items;*
2. *Damage paint finishes;*
3. *Fit into an area or opening less than 18 inches by 24 inches;*
4. *Use a ladder that extends to more than 12 feet tall to reach the item; or*
5. *Use a tool to open the item.*

Sec. 8. *Any person may, by petition, request the administrator to adopt, file, amend or repeal a regulation. The petition must clearly identify, in writing, the change requested of the regulation and must contain all relevant data, views and arguments regarding the change.*

Sec. 9. *If any provision of this chapter or the application thereof to any person, thing or circumstance is held invalid, such invalidity does not affect the provisions or application of this chapter that can be given effect without the invalid provision or application, and to this end, the provisions of this chapter are declared to be severable.*

Sec. 10. 1. *Except as otherwise provided in subsection 2, this chapter applies to any person who:*

(a) Performs inspections of residential or commercial property or a structure for the purpose of a second or subsequent sale of the property or structure; and

(b) Signs a document regarding the inspection in a way that designates the person as a “certified inspector.”

2. *This chapter does not apply to:*

(a) A professional engineer or land surveyor licensed pursuant to chapter 625 of NRS;

- (b) An architect licensed pursuant to chapter 623 of NRS;*
- (c) A contractor licensed pursuant to chapter 624 of NRS;*
- (d) A person licensed to control pests pursuant to chapter 555 of NRS;*
- (e) A building inspector appointed by a county or city who is performing an inspection pursuant to NRS 278.570 to 278.610, inclusive; or*
- (f) Any of the persons listed in paragraphs (a) to (e), inclusive, who perform part of an inspection for a certified inspector or provide an evaluation of a portion of a structure, but do not sign the final report.*

Sec. 11. *1. The application for a certificate as an inspector provided by the division requires the following information:*

- (a) Two completed fingerprint cards;*
 - (b) One recent photograph of the applicant;*
 - (c) The social security number of the applicant;*
 - (d) His place of business;*
 - (e) A document which proves that the applicant has:
 - (1) Error and omissions insurance of at least \$100,000; and*
 - (2) Liability insurance of at least \$100,000; and**
 - (f) Such other pertinent information as the division may require.*
- 2. An application for a certificate is valid for 1 year after the date it is filed with the division. The division may require an applicant to complete a supplemental form provided by the division to ensure that all the information required by the division is current.*

Sec. 12. *1. The fee for application for a certificate is nonrefundable.*

2. *If the division rejects an application for the issuance or renewal of a certificate, it will refund the fee submitted for the issuance or renewal of the certificate.*

Sec. 13. *Each application for a certificate as an inspector must be completed personally by the applicant. Employees of the division shall not help a person prepare his application.*

Sec. 14. *The administrator shall not:*

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

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

Sec. 15. *An inspector may obtain from the division a certificate as a:*

1. *Certified residential inspector;*

2. *Certified general inspector; or*

3. *Certified master inspector.*

Sec. 16. *A certified residential inspector may:*

1. *Perform an inspection of:*

(a) *A residential structure consisting of not more than four units; and*

(b) *A commercial structure that measures not more than 10,000 square feet.*

2. *Assist in the preparation and communication of an inspection of a structure that consists of more than four residential units under the direct, on-site supervision of a certified general inspector or a certified master inspector.*

Sec. 17. *A certified general inspector may perform an inspection of any residential or commercial structure.*

Sec. 18. *A certified master inspector may:*

1. *Provide training for and the evaluation of a certified residential inspector or a certified general inspector.*

2. *Perform an inspection of any residential or commercial structure.*

Sec. 19. *As used in sections 20 to 24, inclusive, of this regulation, unless the context otherwise requires, “hour of academic instruction” means at least 50 minutes of actual time spent receiving instruction.*

Sec. 20. 1. *An applicant for a certificate as a certified residential inspector:*

(a) *Must furnish proof satisfactory to the division that he has successfully completed:*

(1) *Not less than 40 hours of academic instruction in subjects related to structural inspections in courses approved by the division or equivalent experience as an inspector.*

(2) *An examination approved by the division.*

(b) *Must possess a high school diploma or its equivalent.*

2. *Experience as an inspector must demonstrate ability of the applicant to produce a credible inspection report according to the standards and requirements set forth in sections 48 to 60, inclusive, of this regulation.*

3. *An applicant must submit to the division a log of the inspections he performed for a fee on a form supplied by the division.*

Sec. 21. 1. *An applicant for a certificate as a certified general inspector:*

(a) *Must furnish proof satisfactory to the division that he has successfully completed:*

(1) *Not less than 50 hours of academic instruction in subjects related to structural inspections in courses approved by the division.*

(2) *An examination approved by the division.*

(3) At least 200 inspections for a fee, of which not less than 25 must be inspections of commercial structures, or equivalent experience.

(4) At least six inspections, of which not less than three must be inspections of commercial structures, under the supervision of a certified master inspector. If the applicant is unable to inspect three commercial structures, he may inspect any building that is not a warehouse that measures not less than 100,000 square feet or any other building that the division approves. The inspections must be evaluated by the certified master inspector and recorded on a form provided by the division or, if the original is provided to the division, on company letterhead.

(b) Must possess a high school diploma or its equivalent.

2. Experience as an inspector must demonstrate ability of the applicant to produce a credible inspection report according to the standards and requirements set forth in sections 48 to 60, inclusive, of this regulation.

3. An applicant must submit to the division a log of the inspections he performed for a fee on a form supplied by the division.

Sec. 22. 1. An applicant for a certificate as a certified general inspector:

(a) Must furnish proof satisfactory to the division that he has successfully completed:

(1) Not less than 50 hours of academic instruction in subjects related to structural inspections in courses approved by the division.

(2) An examination approved by the division.

(3) At least 200 inspections for a fee, of which not less than 25 must be inspections of commercial structures . **[or equivalent experience.]**

(4) At least six inspections, of which not less than three must be inspections of commercial structures, under the supervision of a certified master inspector. If the applicant is

unable to inspect three commercial structures, he may inspect any building that is not a warehouse that measures not less than 100,000 square feet or any other building that the division approves. The inspections must be evaluated by the certified master inspector and recorded on a form provided by the division or, if the original is provided to the division, on company letterhead.

(b) Must possess a high school diploma or its equivalent.

2. Experience as an inspector must demonstrate ability of the applicant to produce a credible inspection report according to the standards and requirements set forth in sections 48 to 60, inclusive, of this regulation.

3. An applicant must submit to the division a log of the inspections he performed for a fee on a form supplied by the division.

Sec. 23. 1. An applicant for a certificate as a certified general inspector:

(a) Must furnish proof satisfactory to the division that he has successfully completed:

(1) Not less than 50 hours of academic instruction in subjects related to structural inspections in courses approved by the division.

(2) An examination approved by the division.

(3) At least 200 inspections for a fee, of which not less than 25 must be inspections of commercial structures.

(4) At least six inspections, of which not less than three must be inspections of commercial structures, under the supervision of a certified master inspector. If the applicant is unable to inspect three commercial structures, he may inspect any building that is not a warehouse that measures not less than 100,000 square feet or any other building that the division approves. The inspections must be evaluated by the certified master inspector and recorded on a

form provided by the division . [or, if the original is provided to the division, on company letterhead.]

(b) Must possess a high school diploma or its equivalent.

2. Experience as an inspector must demonstrate ability of the applicant to produce a credible inspection report according to the standards and requirements set forth in sections 48 to 60, inclusive, of this regulation.

3. An applicant must submit to the division a log of the inspections he performed for a fee on a form supplied by the division.

Sec. 24. 1. *An applicant for a certificate as a certified master inspector:*

(a) Must furnish proof satisfactory to the division that he has successfully completed:

(1) Not less than 60 hours of academic instruction in subjects related to structural inspections in courses approved by the division;

(2) An examination approved by the division; and

(3) At least 400 inspections for a fee, of which not less than 50 of the inspections must be of commercial structures or structures consisting of more than four residential units.

(b) Must possess a high school diploma or its equivalent.

2. *Experience as an inspector must demonstrate ability of the applicant to produce a credible inspection report according to the standards and requirements set forth in sections 48 to 60, inclusive, of this regulation.*

3. *An applicant must submit to the division a log of the inspections he performed for a fee on a form supplied by the division.*

Sec. 25. 1. *The examination must test the applicant on his knowledge and understanding of:*

- (a) *The subjects applicable to the type of certificate for which he is applying;*
- (b) *Chapter 645D of NRS and any regulations adopted pursuant thereto; and*
- (c) *Sections 48 to 60, inclusive, of this regulation.*

2. *Separate examinations will be given for certification as a residential inspector, general inspector and master inspector.*

3. *A scaled score of 75 must be achieved to pass each test.*

4. *Each of the examinations will consist of questions covering the subjects set forth in subsection 1.*

Sec. 26. 1. *An applicant for a certificate as an inspector may not take the written examination for certification until the division authorizes him in writing to appear for the examination.*

2. *The applicant must:*

(a) *Take the examination prescribed by the division at the time and place set forth in the written authorization sent to him; or*

(b) *If the examination will be given to the applicant by a person other than the division, notify the division of the date and time of his examination. The results of such an examination must be mailed directly to the division from the person administering the examination.*

Sec. 27. 1. *An applicant for a certificate as an inspector may not take the written examination for certification until the division authorizes him in writing to appear for the examination. An applicant will not receive such authorization unless his application is on file with the division.*

2. *The applicant must:*

(a) Take the examination prescribed by the division at the time and place set forth in the written authorization sent to him; or

(b) If the examination will be given to the applicant by a person other than the division, notify the division of the date and time of his examination. The results of such an examination must be mailed directly to the division from the person administering the examination.

Sec. 28. *1. The examination for a certificate as an inspector will be at least 4 hours, but not more than 8 hours.*

2. The times may be different for the examination for each type of certificate.

3. The division will establish the time for each examination and notify the applicants before the closing day for applications.

4. Test books and answer sheets will not be returned to the applicants.

5. Examinations must not be made public.

Sec. 29. *1. If an applicant postpones his examination and notifies the division at least 30 days before the date of the examination, the fee for the examination may be applied to a subsequent examination that the applicant wishes to take.*

2. An examination may be postponed only once.

Sec. 30. *1. An applicant for a certificate as an inspector who fails an examination may apply for reexamination on a form furnished by the division.*

2. If an applicant, after filing an application for examination, withdraws and requests the division to postpone action on the application for reasons acceptable to the division, the applicant may apply for the next examination.

3. The division will only accept results of an examination taken during the year immediately preceding the date of the application for a certificate.

Sec. 31. 1. *An application for a certificate as an inspector will be denied or the results of an examination will be invalidated, or both, if the applicant:*

- (a) Uses or possesses any unfair methods or notes during the examination;*
- (b) Gives or receives aid of any kind during the examination; or*
- (c) Fails to obey instructions during the examination.*

2. *Silent, cordless, electronic calculators may be used by the applicants during the examination.*

Sec. 32. 1. *The division will grant a certificate to each applicant who complies with all provisions of this chapter and chapter 645D of NRS governing certification as a residential inspector, general inspector or master inspector.*

2. *Upon receiving the certificate, the certified inspector may conduct the business of a certified residential inspector, certified general inspector or certified master inspector, as applicable, in this state.*

Sec. 33. *A certificate 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 is issued, or from any place of business other than that specified therein.*

Sec. 34. 1. *The division will issue a certificate to each eligible person in such form and size as is prescribed by the division. Each certificate must:*

- (a) Set forth the name and address of the certified inspector;*
- (b) Set forth type of certificate; and*
- (c) Have imprinted thereon the seal of the division.*

2. *A certificate is valid for 2 years after the first day of the first calendar month immediately following the date it is issued.*

3. *If a certified inspector fails to apply for the renewal of his certificate and pay the fee for renewal before the certificate expires, and applies for renewal:*

(a) *Not later than 1 year after the date of expiration, he must pay a fee equal to 150 percent of the amount otherwise required for renewal.*

(b) *Later than 1 year after the date of expiration, he must apply in the same manner as for an original certificate.*

Sec. 35. *Each certified inspector shall display his certificate conspicuously in his place of business.*

Sec. 36. *If a certified inspector 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. 37. 1. *Each certified master inspector who is training and evaluating a certified residential inspector or a certified general inspector shall file with the division a form provided by the division that sets forth the amount of experience gained by the certified residential inspector or certified general inspector while that certified inspector is being trained and evaluated. A copy of the form must be given to the certified inspector being trained and evaluated, and a copy of the form must be maintained by the certified master inspector for 3 years.*

2. *The completed form must set forth:*

(a) *The type of structure being inspected; and*

(b) *Whether the certified inspector being trained and evaluated complied with the requirements of sections 48 to 60, inclusive, of this regulation in making the inspection of the structure.*

Sec. 38. 1. *A holder of a certificate 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 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.*

Sec. 39. 1. *A holder of a certificate may be placed on inactive status by applying to the division on the appropriate form. The holder of a certificate is not entitled to a refund of any part of the fees paid for the unexpired term of his certificate.*

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

Sec. 40. 1. *A holder of a certificate 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;

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

(d) Contain evidence that the requirements for continuing education have been fulfilled.

2. *A holder of a certificate 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. 41. *If the certificate of a certified inspector is canceled, suspended or revoked, he shall deliver his certificate to the division. No refund will be given when a certificate is canceled, suspended or revoked.*

Sec. 42. *If a certificate must be surrendered and it is not, the holder of the certificate shall file an affidavit with the division showing that the certificate has been lost, destroyed or stolen. The affidavit must contain the holder's promise to surrender the certificate if it is recovered.*

Sec. 43. *If the division determines that a certified inspector has discontinued business at the address at which he holds a certificate and this fact has not been reported to the division, his certificate may be canceled by the division.*

Sec. 44. *A certificate may be canceled, suspended or revoked, or the holder of the certificate may be charged a processing fee, if any check given to the division is not honored by the financial institution upon which it is drawn.*

Sec. 45. *1. The division will monitor the courses taken by applicants to ensure that the courses are of the highest quality. The courses will be evaluated with the assistance of the University and Community College System of Nevada.*

2. Courses designed to develop or improve clerical, office or business skills that are not related to the inspection 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, will not be accepted to fulfill units of education which are required for certification.

Sec. 46. *1. To renew an active certificate, 20 hours of approved education in the 2 years before the date of renewal is required.*

2. *To reinstate a certificate expired more than 60 days but less than 1 year, 30 hours of approved education is required.*

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.*

Sec. 47. 1. *A certified inspector shall conduct each inspection in accordance with sections 48 to 60, inclusive, of this regulation.*

2. *A certified inspector may exceed the requirements set forth in sections 48 to 60, inclusive, of this regulation when conducting an inspection.*

Sec. 48. *A certified inspector 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 independence from outside influence and interest which would compromise his ability to render a fair and impartial inspection.*

4. *Not disclose any information concerning the results of an inspection without the approval of the client or his representative for whom the inspection 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 accept or offer commissions or allowances, from or offer commissions or allowances to, directly or indirectly, other parties dealing with the client in connection with work for which the inspector is responsible.*

7. *Not express the estimated market value of an inspected property while conducting an inspection.*

8. *Not use the term or designation “state certified inspector” unless he is in fact certified.*

9. *Before the execution of a contract to perform an inspection, disclose to the client any interest of the inspector 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.*

Sec. 49. *A certified inspector shall not, while making an inspection of a building consisting of less than five dwelling units, an individually owned residential unit within a multi-family building, or their attached garages and carports:*

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, 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.*
5. *Enter any area or perform any procedure that may damage any part of the structure being inspected or endanger any person, including, but not limited to, the certified inspector.*
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. *Move or disturb any item that obstructs access or visibility, including, but not limited to, insulation, personal items, panels, furniture, equipment, plants, soil, snow, ice or other debris.*
9. *Determine the presence or absence of any suspected adverse environmental condition or hazardous substance, including, but not limited to, toxins, carcinogens, noise or contaminants, unless he is licensed or certified to make such inspections and determinations.*

10. *Determine the effectiveness of any system installed to control or remove suspected hazardous substances.*

11. *Predict the future condition of any system or component, including, but not limited to, the failure of a component.*

12. *Project the operating costs of any component.*

13. *Evaluate the acoustical characteristics of any system or component.*

Sec. 50. 1. *A certified inspector shall inspect the interior components of the structure being inspected, including, but not limited to, the following components of the interior:*

(a) *The walls, ceilings and floors;*

(b) *The steps, stairways, balconies and railings;*

(c) *A representative number of doors and windows; and*

(d) *The counters and a representative number of cabinets.*

2. *An inspection of the interior components must include, without limitation:*

(a) *The operation of a representative number of the windows and interior doors; and*

(b) *The reporting of any sign of abnormal or harmful water penetration into the structure or any sign of abnormal or harmful condensation.*

Sec. 51. 1. *A certified inspector shall inspect the built-in kitchen appliances of the structure being inspected, including, but not limited to, the following kitchen appliances if they are not shut off or otherwise inoperable:*

(a) *The dishwasher;*

(b) *The range, cook top and oven;*

(c) *The trash compactor;*

(d) *The garbage disposal;*

(e) The ventilation equipment and range hood; and

(f) The microwave oven.

2. An inspection of the built-in kitchen appliances must include, without limitation, the operation of the dishwasher through at least one normal cycle.

Sec. 52. *1. A certified inspector shall inspect the insulation and ventilation systems of the structure being inspected, including, but not limited to, the following components of the insulation and ventilation systems:*

(a) The insulation and vapor retarders in unfinished spaces;

(b) The ventilation of the attics and the area of the foundation; and

(c) The kitchen, bathroom and laundry venting systems.

2. An inspection of the insulation and ventilation systems must include, without limitation:

(a) The operation of any readily accessible attic ventilation fan;

(b) If the temperature of the structure permits, the operation of any readily accessible thermostatic control;

(c) A description of the condition of the insulation in the unfinished spaces; and

(d) A description of any unfinished space at conditioned surfaces in which the insulation is absent.

Sec. 53. *1. A certified inspector shall inspect the plumbing system of the structure being inspected, including, but not limited to, the following components of the plumbing system:*

(a) The hot and cold water systems;

(b) The waste and drain systems;

(c) The vent systems; and

(d) The readily accessible gas lines.

2. *An inspection of the plumbing system must include, without limitation:*

(a) *An identification and description of the type of water lines and a determination of whether the system has been activated;*

(b) *The operation of all plumbing fixtures and a visual inspection of all readily accessible components of the plumbing system;*

(c) *A determination of the functional flow of the waste, drain, water and vent lines; and*

(d) *An identification and description of the type of domestic water heater, energy source and any safety devices attached thereto.*

Sec. 54. 1. *A certified inspector shall inspect the electrical systems of the structure being inspected, including, but not limited to, the following components of the electrical system:*

(a) *The switches, receptacles and fixtures;*

(b) *The main panel box and all subpanel boxes, including, but not limited to, the feeders; and*

(c) *The readily accessible wiring and junction boxes.*

2. *An inspection of the electrical system must include, without limitation:*

(a) *An identification and description of the amperage and type of overcurrent protection devices, including, but not limited to, the fuses and breakers;*

(b) *A description of the condition of the electrical system, including, but not limited to, the grounding cables;*

(c) *A verification of the compatibility and condition of the main and branch circuit overcurrent protection devices to the size of the conductors served by them that are visible without the removal of safety covers;*

(d) *The testing of a representative number of readily accessible switches, receptacles and light fixtures in each room or area of the structure;*

(e) A test and verification of the grounding and polarity of all readily accessible receptacles, including, but not limited to, the ground fault circuit interrupter devices; and

(f) An evaluation of the system and all readily accessible wiring.

Sec. 55. *1. A certified inspector shall inspect the heating system of the structure being inspected, including, but not limited to, the following components of a heating system:*

(a) The heating equipment and heating distribution system;

(b) The operating controls; and

(c) The auxiliary heating units.

2. An inspection of the heating system must include, without limitation:

(a) An identification and description of the type of system, distribution, energy source and number of units or systems in the structure;

(b) The opening of all readily accessible access panels or covers provided by the manufacturer so that the enclosed components can be evaluated; and

(c) An evaluation of the readily accessible controls and components.

Sec. 56. *1. A certified inspector shall inspect the air-conditioning system of the structure being inspected, including, but not limited to, the following components of the air-conditioning system:*

(a) The cooling equipment and cooling distribution systems; and

(b) The operating controls.

2. An inspection of the air-conditioning system must include, without limitation:

(a) An identification and description of the type of system, distribution, energy source and number of units or systems in the structure;

(b) The opening of all readily accessible access panels or covers provided by the manufacturer so that the enclosed components can be evaluated; and

(c) An evaluation of the readily accessible controls and components.

Sec. 57. *1. A certified inspector shall inspect the exterior components of a structure being inspected, including, but not limited to:*

(a) The exterior wall components;

(b) The exposed molding and trim;

(c) The windows and exterior doors; and

(d) The fireplaces, flues and chimneys.

2. An inspection of exterior components must include, without limitation:

(a) An identification of the type of structure and covering of the exterior component, including, but not limited to, whether it is block, siding, shingle, stucco, wood, asbestos, hardboard or masonry;

(b) An evaluation of the wall covering;

(c) An evaluation of the condition of a representative number of windows and doors, including, but not limited to, the associated trim and hardware; and

(d) An inspection and description of the condition of readily accessible porches, decks, steps, balconies and carports attached to the structure.

Sec. 58. *1. A certified inspector shall inspect the roofing components of the structure being inspected, including, but not limited to:*

(a) The roof covering;

(b) The flashing;

(c) The insulation;

- (d) The ventilation;*
- (e) The soffits and fascia; and*
- (f) The skylights, roof accessories and penetrations.*

2. The inspection of roofing components must include, without limitation:

- (a) An identification and description of the materials of the visible roof structure, roof flashing, skylights, penetrations, ventilation devices and roof drainage;*
- (b) An evaluation of the condition of the readily accessible attic areas;*
- (c) A determination of the type, condition and approximate thickness of the attic insulation;*
and
- (d) A description of the method of observation used to inspect the roof.*

Sec. 59. *1. A certified inspector shall inspect the structural system of the structure being inspected, including, but not limited to, the foundation, floors, walls, columns, ceilings and roof.*

2. An inspection of the structural system must include, without limitation:

- (a) An identification and description of the type of foundation, floor structure, wall structure, columns, ceiling structure, roof structure and other attached structural components;*
- (b) A probe of all structural components in which deterioration is suspected, unless the probe will damage any finished surface;*
- (c) Entry under the floor crawl spaces and attic spaces, except when access is obstructed or not readily accessible, entry could damage the property, or dangerous or adverse conditions are obvious or suspected;*
- (d) A report of all signs of water penetration or abnormal or harmful condensation on building components; and*

(e) A description of any visible structural damage to the framing members and foundation system.

Sec. 60. *1. A certified inspector shall inspect the site of the structure while conducting an inspection of the structure, including, but not limited to:*

- (a) The land grade and water drainage;*
- (b) The retaining walls affecting the structure;*
- (c) The driveways and walkways; and*
- (d) The porches and patios.*

2. An inspection of the site must include, without limitation:

(a) An identification and evaluation of the materials and conditions of the driveways, walkways, grade steps, patios and other items contiguous with the inspected structure;

(b) An observation of the drainage and grading for conditions that adversely affect the structure; and

(c) An observation of the above-grade vegetation which affects the exterior of the structure.

Sec. 61. *In determining whether a certified inspector is guilty of unprofessional conduct or professional incompetence, the division will consider, among other things, whether the inspector has:*

1. Failed to perform an inspection in accordance with sections 48 to 60, inclusive, of this regulation;

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

3. *Made an inspection and prepared an inspection 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. 62. *In any advertisement through which a certified inspector offers to perform services for which a certificate is required pursuant to this chapter, he shall disclose the name under which he does business and the type of certificate he holds.*

Sec. 63. 1. *A certified inspector shall keep a copy of the inspection report, work file and any other pertinent information relating to each inspection he conducts for at least 3 years after the completion of the inspection. Only one set of files need be maintained, but the information must be available to all participating inspectors.*

2. *All inspections conducted by a certified inspector 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 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 regularly conducts his business.*

4. *The certified inspector 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. 64. 1. *The division may use a form of its design to conduct any office examination and require the certified inspector 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 availability of current statutes and regulations at the place of business.*

Sec. 65. *A certified inspector 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. 66. 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, 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 of the structure that is the subject of the complaint.*

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

3. *A certified inspector shall disclose all facts and documents pertinent to an investigation to members of the division's staff conducting the investigation.*

4. *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. 67. 1. *The division may grant any certified inspector 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. Failure to comply with the request may be grounds for the suspension or revocation of a certificate. 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. 68. 1. *Upon the filing of a formal complaint by the division, the administrator shall set the matter for a hearing within 90 days before a hearing officer appointed by the administrator from the staff of the department of business and industry. The hearing officer must be a person who has not investigated or prosecuted the complaint.*

2. *The time of the hearing may be continued by the division or upon motion of the respondent with the approval of the administrator or his designated hearing officer.*

3. *The division will give the respondent at least 20 days' prior notice in writing of the date, time and place of the hearing, which notice will contain a copy of the complaint, including, but not limited to:*

(a) An exact statement of the charges; and

(b) Copies of all reports, affidavits and depositions in possession of the division which may be used in evidence against the respondent.

4. Notice of the hearing may be served by personal delivery to the respondent or by certified mail to his last known business or home address.

5. The respondent shall file an answer within 30 days after service of the notice. The answer must contain an admission or denial of each of the averments contained in the complaint and any defenses upon which the respondent will rely.

6. The answer may be served by personal delivery to the division at its office in Las Vegas or Carson City or by mail to the principal office of the division.

7. Before the hearing, the division may request, and the respondent may produce upon request, documents and other materials that are under his control. The division may take depositions and obtain materials by subpoena.

8. All witnesses at the hearing must be sworn by the administrator or his designated hearing officer, and a tape recording of the proceedings must be made and included as a part of the record in the case.

Sec. 69. *1. The administrator or the hearing officer shall render a decision within 30 days after the date of the hearing and immediately give notice in writing of the decision to the respondent.*

2. If the decision is adverse to the respondent, the administrator or hearing officer shall also state in the notice of decision the date upon which the decision becomes effective, which will be not less than 30 days after the date of the notice.

Sec. 70. *The division will schedule an informal meeting rather than a formal hearing for matters that may be settled or otherwise do not require a formal hearing, in accordance with the following procedures:*

1. The division will initiate the procedure for an informal meeting by giving notice which must include a concise statement of all the facts necessary to understand the possible violation and a brief statement of the relief desired by the division, if appropriate;

2. Informal meetings will be held by the administrator or his designee at a time and place prescribed by the administrator;

3. The administrator, his designee or any other party may require a tape recording to be made of the informal meeting;

4. The initiation of an informal meeting by the division is without prejudice to its right to initiate a complaint and formal proceedings covering the same subject matter; and

5. All matters discussed and all material presented in an informal meeting may be used in a subsequent formal hearing, and the division will inform all parties of that fact at the beginning of the informal meeting.

Sec. 71. *1. Any person aggrieved by an action of the division except the revocation or suspension of a license pursuant to this chapter may petition the division for reconsideration of its action within 15 days after its 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. 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 days' notice of 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.

Sec. 72. 1. Sections 21 and 26 of this regulation expires by limitation on June 30, 1998.

2. Section 22 of this regulation expires by limitation on December 31, 1998.

Sec. 73. 1. This section, sections 1 to 21, inclusive, 24, 25, 26 and 28 to 72, inclusive, of this regulation become effective on May 11, 1998.

2. Sections 22 and 27 of this regulation becomes effective on July 1, 1998.

3. Section 23 of this regulation becomes effective on January 1, 1999.