

**PROPOSED REGULATION OF THE  
REAL ESTATE COMMISSION**

**LCB File No. R100-03**

November 7, 2003

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

AUTHORITY: §§1-3, 5-55; NRS 645C.210; §4, NRS 645C.450.

**Section 1.** Chapter 645C of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 12, inclusive, of this regulation.

**Sec. 2.** *“Supervisory appraiser” means a certified residential appraiser or certified general appraiser who directly supervises a registered intern.*

**Sec. 3. 1.** *A supervisory appraiser must:*

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

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

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

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

**3.** *A registered intern who has completed at least 50 appraisals of property to the satisfaction of his supervisory appraiser may perform an inspection of property for appraisal which is located within 50 miles of any office of his supervisory appraiser without the personal supervision of the supervisory appraiser at the site of the property.*

**Sec. 4.** *The fee for the investigation of the background of an applicant or licensee will not exceed the actual cost to conduct the investigation.*

**Sec. 5. 1.** *In conducting any investigation, inquiry or hearing, the Commission is not bound by the technical rules of evidence, and any informality in any proceeding or in the manner of taking testimony will not invalidate any order or decision of the Commission. The rules of evidence of courts of this state will be followed generally but may be relaxed at the discretion of the presiding officer or Commission if deviation from the technical rules of evidence will aid in determining the facts.*

*2. Any evidence offered at the hearing must be material and relevant to the issues of the hearing.*

*3. The Commission may exclude inadmissible, incompetent, repetitious or irrelevant evidence or order that the presentation of that evidence be discontinued.*

*4. A party who objects to the introduction of evidence shall briefly state the grounds of the objection at the time the evidence is offered. The party who offers the evidence may present rebuttal evidence.*

*5. If an objection is made to the admissibility of evidence, the Commission may:*

*(a) Note the objection and admit the evidence;*

*(b) Sustain the objection and refuse to admit the evidence; or*

*(c) Receive the evidence which is subject to a subsequent ruling by the Commission.*

**Sec. 6. 1.** *All motions, unless made during a hearing, must be in writing.*

*2. A written motion must be served on the opposing party and the Commission at least 10 working days before the time set for the hearing on the motion.*

*3. An opposing party may file a written response to a motion within 7 working days after the receipt of the motion by serving the written response on all parties and the Commission, except that a written response may be filed less than 3 working days before the time set for the hearing on the motion only with the permission of the Commission upon good cause shown.*

*4. The Commission may require oral argument or the submission of additional information or evidence to decide the motion.*

**Sec. 7. 1.** *A complaint may be amended at any time.*

*2. The Commission will grant a continuance if the amendment materially alters the complaint or a respondent demonstrates an inability to prepare for the case in a timely manner.*

*3. A complaint may be withdrawn at any time before the hearing begins.*

**Sec. 8.** *If a party fails to appear at a hearing scheduled by the Commission and a continuance has not been requested or granted, upon an offer of proof by the Division that the absent party was given proper notice and upon a determination by the Commission that proper notice was given, the Commission may proceed to consider the case without the participation of the absent party and may dispose of the matter on the basis of the evidence before it. If the respondent fails to appear at the hearing or fails to reply to the notice, the charges specified in the complaint may be considered as true.*

**Sec. 9.** *The Commission may report any disciplinary action it takes against a licensee or any denial of an application for a license to:*

*1. Any national repository which records disciplinary action taken against licensees;*

*2. Any agency of another state which regulates the practice of the appraisal of real estate;*

*or*

3. *Any agency or board of the State of Nevada.*

**Sec. 10.** 1. *Not less than 5 working days before a hearing before the Commission, the respondent must provide to the Division a copy of all documents that are reasonably available to the respondent which the respondent reasonably anticipates will be used in support of his position. The respondent shall promptly supplement and update any such documents.*

2. *The respondent shall provide, at the time of the hearing, 10 copies of each document he wishes to have admitted into evidence at the hearing.*

3. *If the respondent fails to provide any document required to be provided by the provisions of this section, the Commission may exclude the document.*

**Sec. 11.** *The Division will, unless otherwise ordered by a court, keep confidential:*

1. *The criminal or financial records of an appraiser or intern or an applicant for a certificate, license or registration card;*

2. *The examination and the results of the examination for a certificate or license; and*

3. *The social security number of an appraiser or intern or an applicant for a certificate, license or registration card, except when reporting information concerning an appraiser, intern or applicant to the National Registry of Real Estate Appraisers.*

**Sec. 12.** 1. *An application for approval of a distance education course which complies with the provisions of NRS 645C.330 must be submitted to the Division for review and presentation to the Commission. The application must be made on a form provided by the Division.*

2. *In determining whether to approve a course pursuant to this section, the Commission will consider whether:*

(a) *The course consists of at least 15 hours of instruction;*

*(b) The sponsor of the course is willing to ensure that each student enrolled in the course will be required to complete a written examination proctored by a person approved by the Division;*

*(c) The course is offered by an accredited college or university that offers distance education courses in disciplines other than the appraisal of real property;*

*(d) The course is approved by the Credit by Examination Program of the American Council on Education; and*

*(e) The course is approved by International Distance Education Certification Center and the Appraiser Qualifications Board.*

**Sec. 13.** NAC 645C.005 is hereby amended to read as follows:

645C.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 645C.0055 to 645C.0075, inclusive ~~§~~ *and section 2 of this regulation* have the meanings ascribed to them in those sections.

**Sec. 14.** NAC 645C.050 is hereby amended to read as follows:

645C.050 1. The application for a license or certificate as an appraiser provided by the Division requires the following information:

- (a) The name of the applicant;
- (b) The social security number of the applicant;
- (c) One recent photograph of the applicant;
- (d) The information required of the applicant pursuant to NRS 645C.290; and
- (e) Such other pertinent information as the Division may require.

↪ The application must be accompanied by a completed fingerprint card.

2. An application form is valid for only 1 year after the date of filing. The Division may require that a supplemental form be completed by an applicant to ensure that all required information is current.

~~[3.—An original or subsequent application for examination must be filed on or before the date established by the Division and must be accompanied by an application fee of \$100.]~~

**Sec. 15.** NAC 645C.065 is hereby amended to read as follows:

645C.065 1. For the purpose of subsection 1 of NRS 645C.330, “at least 2 years of experience working full time” means experience gained as an appraiser or while in the employment of a ~~[licensed or]~~ certified appraiser as an intern for at least 2,400 hours during a period not less than 2 years before applying for a license. An applicant ~~[shall]~~ *may* not apply for a license until at least 2 years after he commenced working as an appraiser or intern. The applicant need not have worked exclusively as an appraiser or intern during the period of employment and need not have worked a specific minimum number of hours in the workday.

2. For the purpose of subsection 2 of NRS 645C.330, “at least 2 years of experience working full time” means experience gained as an appraiser or while in the employment of a ~~[licensed or]~~ certified appraiser as an intern for at least 2,500 hours during a period not less than 2 years before applying for a certificate. An applicant ~~[shall]~~ *may* not apply for a certificate until at least 2 years after he commenced working as an appraiser or intern. The applicant need not have worked exclusively as an appraiser or intern during the period of employment and need not have worked a specific minimum number of hours in the workday. Not less than 500 hours of those 2,500 hours must relate to the appraisal of ~~[real estate suitable for or consisting of no more than four residential units in any one transaction, without regard to value or complexity.]~~ *complex property as defined in NRS 645C.055.*

3. For the purpose of subsection 3 of NRS 645C.330, “at least 3 years of experience working full time” means experience gained as an appraiser or while in the employment of a ~~licensed or~~ certified appraiser as an intern for at least 3,600 hours during a period not less than 3 years before applying for a certificate. An applicant ~~shall~~ *may* not apply for a certificate until at least 3 years ~~before~~ *after* he commenced working as an appraiser or intern. The applicant need not have worked exclusively as an appraiser or intern during the period of employment and need not have worked a specific minimum number of hours in the workday. Not less than 1,000 hours of those 3,600 hours must relate to the appraisal of commercial real estate or real estate suitable for or consisting of more than four residential units in any one transaction.

4. Experience as an appraiser must demonstrate the applicant’s ability to employ correctly the generally accepted techniques that are necessary to produce a credible appraisal.

5. The burden of proof is on the applicant to establish to the satisfaction of the Division that he has completed the number of hours of experience required by this section. To meet his burden of proof, an applicant may submit:

(a) For work accomplished in Nevada after January 1, 1990, the form required by NAC 645C.120;

(b) A log similar to the form required by NAC 645C.120; or

(c) A list of appraisals to which he made a significant professional contribution.

**Sec. 16.** NAC 645C.070 is hereby amended to read as follows:

645C.070 1. The Division may deny any application for a license or certificate when one or more of the following conditions exist:

(a) The application is not in the proper form.

(b) The proper fees are not enclosed.

- (c) The accompanying forms are incomplete or otherwise unsatisfactory.
- (d) The application contains a false statement.
- (e) Any other deficiencies appear in the application.
- (f) An investigation fails to show affirmatively that the applicant possesses the necessary qualifications.
- (g) The applicant has willfully acted or attempted to act in violation of any provision of chapter *116*, 119, 119A, 645, 645A, ~~645C~~ or *645D* of NRS or the regulations adopted pursuant thereto, or has willfully aided and abetted another *person* to act or attempt to act in violation of any provision of those chapters or regulations.
- (h) The applicant has had a license or certificate suspended or revoked in another state.
- (i) The check *or other negotiable instrument* used in paying a fee for an examination, license or certificate is not honored by the financial institution upon which it was drawn.

2. An applicant whose application is denied by the Division may appeal the denial to the Commission as provided in NRS 645C.370. If the Commission reverses the original decision and determines that the petitioner qualifies for a license or certificate, the application may be accepted as of the date of its original submission and no additional fee will be charged.

**Sec. 17.** NAC 645C.085 is hereby amended to read as follows:

645C.085 1. The examination for a license or certificate as an appraiser will be at least 3 hours . ~~[, but not more than 8 hours.]~~ The times may be different for the examination for certification of general appraisers, licensure of residential appraisers and certification of residential appraisers. ~~[The Division shall establish the time for each examination and notify the applicants before the closing day for applications. Test books and answer sheets will not be returned to the applicants.]~~



2. Examinations must not be made public except as otherwise provided by statute or regulation.

**Sec. 18.** NAC 645C.090 is hereby amended to read as follows:

645C.090 1. The agency which administers an examination for a license or certificate as an appraiser shall collect the fee for the examination.

2. The fee for an examination for a license or certificate as an appraiser is \$100.

~~{3.—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 which the applicant wishes to take.~~

~~—4.—An examination may be postponed only once.}~~

**Sec. 19.** NAC 645C.095 is hereby amended to read as follows:

645C.095 1. An applicant for a license or certificate as an appraiser 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.}~~ 2. The Division will only accept results of an examination taken during the year immediately preceding the date of the application for a license or certificate.

**Sec. 20.** NAC 645C.103 is hereby amended to read as follows:

645C.103 1. For the purpose of subsection 1 of NRS 645C.360, the Commission will consider the requirements for the certificate, license , *registration* or permit issued in another jurisdiction to be substantially equivalent to the requirements of this state if:

(a) The requirements of the other jurisdiction meet or exceed the requirements adopted by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council; and

(b) The Appraisal Subcommittee of the Federal Financial Institutions Examination Council has not disapproved the regulatory program to which the requirements of the other jurisdiction apply.

2. ~~[Except as otherwise provided in subsection 3, an]~~ An applicant for a permit who requests waiver of the examination pursuant to NRS 645C.360 must comply with NRS 645C.330 and:

(a) NAC 645C.235, if the applicant is applying for a permit as a licensed residential appraiser;

(b) NAC 645C.237, if the applicant is applying for a permit as a certified residential appraiser; or

(c) NAC 645C.240, if the applicant is applying for a permit as a certified general appraiser.

3. ~~[Such an applicant is not required to comply with:~~

~~—(a) Paragraph (d) of subsection 1 of NAC 645C.235;~~

~~—(b) Paragraph (d) of subsection 1 of NAC 645C.237; or~~

~~—(c) Paragraph (d) of subsection 1 of NAC 645C.240.~~

~~—4.]~~ Before the Administrator may issue a permit, the applicant must affirm, on a form provided by the Division, that he has read and he understands the provisions of this chapter and chapter 645C of NRS.

**Sec. 21.** NAC 645C.1042 is hereby amended to read as follows:

645C.1042 An applicant for a permit issued pursuant to NRS 645C.363 must submit to the Division:

1. A written application on a form provided by the Division.

2. The applicable fee prescribed by NRS 645C.450. The fee is nonrefundable.
  3. A letter or other documentation which ~~[identifies]~~ :
    - (a) *Identifies* the client who is requesting the appraisal ~~[and describes]~~ ;
    - (b) *Describes* the property to be appraised ~~[ ]~~ ; *and*
    - (c) *Includes the proposed date the appraisal will be completed.*
  4. A photocopy of the current license or certificate held by the applicant, unless the issuing authority prohibits the photocopying of the license or certificate.
  5. A letter from the authority that issued the license or certificate, or other proof satisfactory to the Division which states:
    - (a) Whether the applicant is in good standing; and
    - (b) Whether disciplinary action has been taken against the applicant in relation to his work as an appraiser or intern.
- ↪ The letter or other proof must be dated not more than 3 months before the date of the application.
6. A current color photograph of the applicant which is at least 1 1/2 inches by 1 1/2 inches in size, unless the applicant has provided a photograph to the Division in connection with another permit requested in the year preceding the current application.
  7. ~~[If the applicant is not a resident of Nevada, a]~~ A statement of appointment for service of process which complies with subsection 2 of NRS 645C.367.
  8. A notarized statement signed by the applicant which states that he:
    - (a) Understands and agrees that the permit is limited to the appraisal described in the application and that the application fee is nonrefundable;

(b) Has read and understands the provisions of chapter 645C of NRS and the related regulations, agrees to abide by them in the conduct of the appraisal and understands that by accepting the permit he has consented to the jurisdiction of the Commission to discipline the applicant for violation of the laws of Nevada;

(c) Certifies, under penalty of perjury, that the information provided as part of the application and in response to subsequent requests by the Division is true and correct to the best of his knowledge; and

(d) Understands that falsification of any information provided as part of the application or in response to subsequent requests by the Division is a ground for the denial or revocation of the permit.

9. A statement that any person who will perform the work of an intern as described in NRS 645C.070 on the appraisal is registered in accordance with NRS 645C.270.

**Sec. 22.** NAC 645C.1044 is hereby amended to read as follows:

645C.1044 1. The Division shall issue a permit within ~~10~~ 5 business days after receipt of an application if:

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

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

(c) The appropriate fees have been paid.

2. If the scope of the appraisal described in the application exceeds the limits set forth in NAC 645C.1046, the Division ~~shall~~ will return the application to the applicant for correction. If

the application is returned for this reason, the applicant may resubmit the application or additional applications accompanied by the applicable fee for consideration by the Division.

**Sec. 23.** NAC 645C.1046 is hereby amended to read as follows:

645C.1046 1. A permit is not transferable and is limited to an appraisal by the person named in the permit. The applicant is deemed to have consented to the jurisdiction of the Commission if he conducts an appraisal in this state after receipt of the permit.

2. Except as otherwise provided in subsection 3, an appraisal described in a permit must be limited to:

(a) One client who is identified in the application. ~~Unless the appraisal requires additional research or updating, an appraiser may distribute a copy of the completed appraisal to other persons as authorized by the client without obtaining a new permit.~~

(b) One property specifically described in the application or one group of related properties each of which is specifically described in the application.

3. Except as otherwise provided in this subsection, a permit expires automatically when the holder of a permit communicates the appraisal to the client or 1 year ~~from~~ *after* the date of issuance, whichever occurs first. The term of the permit continues if the holder of the permit must:

(a) Correct or clarify the appraisal; or

(b) Testify in court or otherwise defend or explain the appraisal.

↪ A separate permit is required for each *appraisal or* update of an appraisal or review of an appraisal by another appraiser.

4. As used in this section, the term “related properties” means properties which are contemplated to be part of a single transaction at the time an applicant submits an application for

a permit to the Division, including, but not limited to, properties which are owned by the same client at the time of the application or which are part of the same purchase agreement, loan, nontaxable deferred exchange of real property, lease, condemnation or lawsuit.

**Sec. 24.** NAC 645C.105 is hereby amended to read as follows:

645C.105 1. A licensee or 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 licensee or 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 license or certificate.

~~3. Licensees or holders of certificates working on behalf of or as a corporation are not considered to have changed employers if the corporation changes its corporate appraiser.~~

**Sec. 25.** NAC 645C.110 is hereby amended to read as follows:

645C.110 ~~[An]~~ *A supervisory* appraiser under whom an intern is registered shall immediately file with the Division a notice of termination, on a form supplied by the Division, when an intern resigns, fails to renew his registration card or is discharged. The *supervisory* appraiser shall immediately surrender the registration card of the intern to the Division.

**Sec. 26.** NAC 645C.115 is hereby amended to read as follows:

645C.115 1. If ~~[an]~~ *a supervisory* appraiser fails to renew his ~~[license or]~~ certificate, the registration cards of all interns ~~[in his association]~~ *under his supervision* will immediately be placed on inactive status ~~[until the appraiser reinstates and renews his license or certificate or]~~ *unless* the intern applies for a transfer and pays the required fee.

*2. If a supervisory appraiser reinstates and renews his license pursuant to subsection 1, an intern whose registration card is placed on inactive status may resume his association with the appraiser if the intern reinstates his registration card and pays the required fee.*

**Sec. 27.** NAC 645C.120 is hereby amended to read as follows:

645C.120 1. The Division will require a verified statement from a ~~licensed or certified~~ *supervisory* appraiser indicating the extent of experience of any intern associated with him in order to determine the extent of experience the *registered* intern has gained while associated with the *supervisory* appraiser.

2. The information required by subsection 1 must be reported on a form provided by the Division. The completed form must include:

- (a) The period of association with the *supervisory* appraiser.
- (b) The average number of hours worked per week for the *supervisory* appraiser.
- (c) Any other information concerning the activities of the intern which should be considered as contributing towards his experience while associated with the *supervisory* appraiser.

*3. Each registered intern shall maintain a separate log for each appraiser who supervises the intern.*

*4. The registered intern shall record in the log for each appraisal:*

- (a) The type of property appraised;*
- (b) The name and address of the client for whom the appraisal was conducted;*
- (c) The address of the appraised property; and*
- (d) A description of work performed and the number of hours required to conduct the appraisal.*

5. *Each page of a log maintained pursuant to this section must include the signature and number of the certificate of the supervisory appraiser.*

6. *A registered intern who assists in the preparation of an appraisal may obtain a copy of that appraisal.*

**Sec. 28.** NAC 645C.135 is hereby amended to read as follows:

645C.135 If the ~~[license or]~~ certificate of ~~[an]~~ *a supervisory* appraiser is cancelled, suspended or revoked, he shall deliver his ~~[license or]~~ certificate to the Division with the registration cards of his interns. The interns may, upon proper application and payment of the required fees, transfer to the association of another *supervisory* appraiser. No refund will be given ~~[when a license or]~~ *if a* certificate is cancelled, suspended or revoked.

**Sec. 29.** NAC 645C.150 is hereby amended to read as follows:

645C.150 A license, certificate or registration card may be cancelled, revoked or suspended, or the licensee, holder of the certificate or intern fined, if any ~~[check]~~ *instrument* given to the Division is not honored by the financial institution upon which it is drawn.

**Sec. 30.** NAC 645C.220 is hereby amended to read as follows:

645C.220 1. If a school's application for approval of a course is denied, the school may file a written request for a hearing before the Commission. The request must be filed within 20 calendar days after receiving the order of denial. The Commission will hold the hearing ~~[within 90 calendar days]~~ *at its next regularly scheduled meeting* after the request for hearing is filed unless the school makes a written request for a continuance and that request is granted. The Commission will decide the matter within 90 calendar days after the hearing.

2. If the Administrator determines that an approved school or course no longer complies with the standards prescribed in this chapter, he shall file a complaint seeking a temporary or



permanent withdrawal of the approval. The Commission will hear the complaint following a procedure similar to that used for the revocation or suspension of an appraiser's license or certificate.

**Sec. 31.** NAC 645C.235 is hereby amended to read as follows:

~~645C.235 1. [On or before December 31, 1990, a course of instruction, in order to comply with the requirements of paragraph (a) of subsection 1 of NRS 645C.330, for an applicant for a license as a residential appraiser, must consist of at least 75 hours of instruction in the classroom, including instruction in the following subjects:~~

- ~~—(a) Ethics;~~
- ~~—(b) Principles of value;~~
- ~~—(c) Methods of appraisal and reconciliation;~~
- ~~—(d) The standards of professional practice and the laws of this state governing the licensing and certification of appraisers; and~~
- ~~—(e) Other subjects relating to appraisals.~~

~~At least 15 hours of instruction must be provided in the subjects described in paragraph (d).~~

~~—2.— On or after January 1, 1991, but before June 9, 1997, a course of instruction, in order to comply with the requirements of paragraph (a) of subsection 1 of NRS 645C.330, for an applicant for a license as a residential appraiser, must consist of at least 75 hours of instruction in the classroom, including instruction in the following subjects:~~

- ~~—(a) Factors that influence the value of real estate;~~
- ~~—(b) Legal considerations of appraisals;~~
- ~~—(c) Types of value;~~
- ~~—(d) Economic principles;~~

- ~~—(e) The real estate market and its analysis;~~
- ~~—(f) The process of valuation;~~
- ~~—(g) Description of real estate;~~
- ~~—(h) Analysis of the highest and best use of real estate;~~
- ~~—(i) Mathematics and statistics related to appraisals;~~
- ~~—(j) Analysis of value by sales comparison;~~
- ~~—(k) Analysis of value by cost;~~
- ~~—(l) Analysis of value by income;~~
- ~~—(m) The valuation of a site;~~
- ~~—(n) The valuation of partial interests;~~
- ~~—(o) Standards and ethics relating to appraisals;~~
- ~~—(p) The laws of this state governing appraisals; and~~
- ~~—(q) Other subjects relating to appraisals.~~

~~—3.— On or after June 9, 1997, a course of instruction, in] **In** order to comply with the requirements of paragraph (a) of subsection 1 of NRS 645C.330, *a course of instruction* for an applicant for a license as a residential appraiser ~~[, must consist] **must:**~~~~

~~(a) **Consist** of at least 90 hours of instruction ~~[in the classroom, including];~~~~

~~(b) **Except as otherwise provided in subsection 2, be completed within the 5 years**~~

~~**immediately preceding the submission of an application for a license; and**~~

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

~~[(a)] **(1)** Factors that influence the value of real estate;~~

~~[(b)] **(2)** Legal considerations of appraisals;~~

~~[(e)] **(3)** Types of value;~~

- ~~[(d)]~~ (4) Economic principles;
- ~~[(e)]~~ (5) The real estate market and its analysis;
- ~~[(f)]~~ (6) The process of valuation;
- ~~[(g)]~~ (7) Description of real estate;
- ~~[(h)]~~ (8) Analysis of the highest and best use of real estate;
- ~~[(i)]~~ (9) Mathematics and statistics related to appraisals;
- ~~[(j)]~~ (10) Analysis of value by sales comparison;
- ~~[(k)]~~ (11) Analysis of value by cost;
- ~~[(l)]~~ (12) Analysis of value by income;
- ~~[(m)]~~ (13) The valuation of a site;
- ~~[(n)]~~ (14) The valuation of partial interests;
- ~~[(o)]~~ (15) Standards and ethics relating to appraisals;
- ~~[(p)]~~ (16) The laws of this state governing appraisals; ~~and~~
- ~~[(q)]~~ (17) *The Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400; and*
- (18) Other subjects relating to appraisals.

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

**Sec. 32.** NAC 645C.237 is hereby amended to read as follows:

645C.237 1. ~~{On or before December 31, 1990, a course of instruction, in order to comply with the requirements of paragraph (a) of subsection 2 of NRS 645C.330 for an applicant for a~~

~~certificate as a residential appraiser, must consist of at least 120 hours of instruction in the classroom, including instruction in the following subjects:~~

- ~~—(a) Ethics;~~
- ~~—(b) Principles of value;~~
- ~~—(c) Methods of appraisal and reconciliation;~~
- ~~—(d) The standards of professional practice and the laws of this state governing the licensing and certification of appraisers; and~~
- ~~—(e) Other subjects relating to appraisals.~~

~~At least 15 hours of instruction must be provided in the subjects described in paragraph (d).~~

~~2. On or after January 1, 1991, a course of instruction, in] **In** order to comply with the requirements of paragraph (a) of subsection 2 of NRS 645C.330, *a course of instruction* for an applicant for a certificate as a residential appraiser ~~[, must consist]~~ **must:**~~

**(a) *Consist*** of at least 120 hours of instruction ~~[in the classroom, including]~~ ;

**(b) *Except as otherwise provided in subsection 2, be completed within the 5 years***

***immediately preceding the submission of an application for a certificate; and***

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

~~[(a)]~~ **(1)** Factors that influence the value of real estate;

~~[(b)]~~ **(2)** Legal considerations of appraisals;

~~[(c)]~~ **(3)** Types of value;

~~[(d)]~~ **(4)** Economic principles;

~~[(e)]~~ **(5)** The real estate market and its analysis;

~~[(f)]~~ **(6)** The process of valuation;

~~[(g)]~~ **(7)** Description of real estate;

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

~~[(i)]~~ (9) Mathematics and statistics related to appraisals;

~~[(j)]~~ (10) Analysis of value by sales comparison;

~~[(k)]~~ (11) Analysis of value by cost;

~~[(l)]~~ (12) Analysis of value by income;

~~[(m)]~~ (13) The valuation of a site;

~~[(n)]~~ (14) The valuation of partial interests;

~~[(o)]~~ (15) Standards and ethics relating to appraisals;

~~[(p)]~~ (16) The laws of this state governing appraisals; ~~and~~

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

(18) Other subjects relating to appraisals.

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

**Sec. 33.** NAC 645C.240 is hereby amended to read as follows:

645C.240 1. ~~[On or before December 31, 1990, a course of instruction, in order to comply with the requirements of paragraph (a) of subsection 3 of NRS 645C.330, of an applicant for a license as a general appraiser, must consist of at least 165 hours of instruction in the classroom, including instruction in the following subjects:~~

~~—(a) Ethics;~~

~~—(b) Principles of value;~~

~~—(c) Methods of appraisal and reconciliation;~~

~~—(d) The standards of professional practice and the laws of this state governing the licensing and certification of appraisers; and~~

~~—(e) Other subjects relating to appraisals.~~

~~At least 15 hours of instruction must be provided in the subjects described in paragraph (d).~~

~~2. On or after January 1, 1991, but before June 9, 1997, a course of instruction, in order to comply with the requirements of paragraph (a) of subsection 3 of NRS 645C.330, of an applicant for a license as a general appraiser, must consist of at least 165 hours of instruction in the classroom, including instruction in the following subjects:~~

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

~~—(b) Legal considerations of appraisals;~~

~~—(c) Types of value;~~

~~—(d) Economic principles;~~

~~—(e) The real estate market and its analysis;~~

~~—(f) The process of valuation;~~

~~—(g) Description of real estate;~~

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

~~—(i) Mathematics and statistics related to appraisals;~~

~~—(j) Analysis of value by sales comparison;~~

~~—(k) Analysis of value by cost;~~

~~—(l) Analysis of value by income;~~

~~—(m) The valuation of a site;~~

~~—(n) The valuation of partial interests;~~

~~—(o) Standards and ethics relating to appraisals;~~

~~—(p) The laws of this state governing appraisals; and~~

~~—(q) Other subjects relating to appraisals.~~

~~—3. On or after June 9, 1997, a course of instruction, in] **In** order to comply with the requirements of paragraph (a) of subsection 3 of NRS 645C. 330, **a course of instruction** of an applicant for a license as a general appraiser ~~[, must consist] **must:**~~~~

**(a) Consist** of at least 180 hours of instruction ~~[in the classroom, including];~~

**(b) Except as otherwise provided in subsection 2, be completed within the 5 years**

**immediately preceding the submission of an application for a license; and**

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

~~[(a)]~~ **(1)** Factors that influence the value of real estate;

~~[(b)]~~ **(2)** Legal considerations of appraisals;

~~[(c)]~~ **(3)** Types of value;

~~[(d)]~~ **(4)** Economic principles;

~~[(e)]~~ **(5)** The real estate market and its analysis;

~~[(f)]~~ **(6)** The process of valuation;

~~[(g)]~~ **(7)** Description of real estate;

~~[(h)]~~ **(8)** Analysis of the highest and best use of real estate;

~~[(i)]~~ **(9)** Mathematics and statistics related to appraisals;

~~[(j)]~~ **(10)** Analysis of value by sales comparison;

~~[(k)]~~ **(11)** Analysis of value by cost;

~~[(l)]~~ **(12)** Analysis of value by income;

~~[(m)]~~ **(13)** The valuation of a site;

~~[(n)]~~ (14) The valuation of partial interests;

~~[(o)]~~ (15) Standards and ethics relating to appraisals;

~~[(p)]~~ (16) The laws of this state governing appraisals; ~~and~~

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

(18) Other subjects relating to appraisals.

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

**Sec. 34.** NAC 645C.243 is hereby amended to read as follows:

645C.243 ~~[On or after May 4, 2000,]~~

*1. Except as otherwise provided in subsection 3, an applicant for registration as an intern pursuant to NRS 645C.270 must include on his application evidence satisfactory to the Division that he has successfully completed at least 75 hours of instruction ~~[in the classroom]~~ within the 5 years immediately preceding the submission of his application for registration as an intern, in the following subjects:*

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

~~[(2)]~~ (b) Legal considerations of appraisals;

~~[(3)]~~ (c) Types of value;

~~[(4)]~~ (d) Economic principles;

~~[(5)]~~ (e) The real estate market and an analysis of that market;

~~[(6)]~~ (f) The process of valuation;

~~[(7)]~~ (g) Description of real estate;



~~{8.}~~ (h) Analysis of the highest and best use of real estate;

~~{9.}~~ (i) Mathematics and statistics related to appraisals;

~~{10.}~~ (j) Analysis of value by sales comparison;

~~{11.}~~ (k) Analysis of value by cost;

~~{12.}~~ (l) Analysis of value by income;

~~{13.}~~ (m) The valuation of a site;

~~{14.}~~ (n) The valuation of partial interests;

~~{15.}~~ (o) Standards and ethics relating to appraisals; ~~and~~

~~—16.}~~ (p) *The Uniform Standards of Professional Appraisal Practice adopted by reference pursuant to NAC 645C.400; and*

(q) Other subjects relating to appraisals.

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

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

**Sec. 35.** NAC 645C.250 is hereby amended to read as follows:

645C.250 1. The Commission will not accept an applicant's completion of a course of a kind which is designed to prepare students for examination, commonly known as a "cram course," to fulfill the educational requirements for an original license or certificate.

2. The following kinds of courses will not be accepted to fulfill units of education which are required for original licensing or certification:

(a) Courses designed to develop or improve clerical, office or business skills that are not related to the appraisal process, ~~[such as]~~ *including* typing, shorthand, the operation of business machines, the use of computers ~~[,]~~ *or computer software*, improvement of memory or writing letters; or

(b) Business courses in advertising or psychology.

**Sec. 36.** NAC 645C.300 is hereby amended to read as follows:

645C.300 1. To renew an active license or certificate, the licensee or holder of the certificate must provide the Division with proof that he has met the requirements for continuing education, including, without limitation, at least 7 hours of instruction in the *Uniform Standards of Professional Appraisal Practice* ~~[,]~~ adopted by reference pursuant to NAC 645C.400.

2. To reinstate a license or certificate which has been placed on inactive status, a person must provide the Division with proof that he has met the requirements for continuing education, including, without limitation, at least 7 hours of instruction in the *Uniform Standards of Professional Appraisal Practice* ~~[,]~~ adopted by reference pursuant to NAC 645C.400.

3. A licensee or holder of a certificate may petition the Administrator for an extension of time in which to comply with the requirements for continuing education. The Administrator may grant such an extension if he finds that the licensee or holder of the certificate has a severe hardship resulting from circumstances beyond his control which has prevented him from meeting the requirements.

4. ~~[Not more than 50 percent of the hours of continuing education required pursuant to NRS 645C.430 may be hours from distance education courses.]~~ The 7 hours of instruction in the *Uniform Standards of Professional Appraisal Practice* required pursuant to this section may not be taken through distance education courses.

**Sec. 37.** NAC 645C.302 is hereby amended to read as follows:

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

**Sec. 38.** NAC 645C.305 is hereby amended to read as follows:

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

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

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

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

(a) The *Uniform Standards of Professional Appraisal Practice*, adopted by reference pursuant to NAC 645C.400;

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

(c) The administration of laws and regulations governing appraisals, including, without limitation, licensing, certification ~~[, enforcement, office management and employees' contracts;]~~ *and enforcement;*

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

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

(f) The development of real property;

(g) Real estate and appraisal mathematics;

(h) Nature of value;

(i) The purpose and use of appraisals;

(j) Methods of valuation and evaluation;

(k) Income capitalization; and

(l) Construction.

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

**Sec. 39.** NAC 645C.310 is hereby amended to read as follows:

645C.310 The following kinds of courses and activities do not meet the standards for continuing education:

1. A course designed to develop or improve clerical, office or business skills not related to the appraisal process, ~~such as~~ *including* typing, shorthand, the operation of business machines, the use of computers ~~or~~ *or computer software*, speed reading, improvement of memory and writing letters.

2. A program of office training or other activity which is held as part of the general business of the licensee or holder of a certificate.

3. A course for the orientation of licensees and holders of certificates.

4. A course for the development of instructors.

**Sec. 40.** NAC 645C.315 is hereby amended to read as follows:

645C.315 1. An application for approval of a distance education course *for continuing education* or a course given in Nevada for the continuing education of licensees or holders of certificates must be submitted to the Division for review and presentation to the Commission. The application must be made on a form provided by the Division.

2. The Commission will not give retroactive approval for such a course.

3. In determining whether to approve a course pursuant to this section, the Commission will consider:

(a) Whether the course consists of at least ~~3~~ 2 hours of instruction.

(b) Whether the sponsor of the course is willing to certify to the attendance of licensees and holders of certificates at the course.

(c) Whether the sponsor is willing to maintain for 5 years a record of attendance which contains:

(1) The name of each licensee or holder of a certificate in attendance and the number of his license or certificate.

(2) The title and description of the course.

(3) The hours of instruction attended by the licensee or holder of a certificate and the dates of his attendance.

(4) A statement or indication whether the licensee or holder of a certificate passed or failed the course, if applicable.

(d) Whether the sponsor of the course is willing to ~~assure~~ *ensure* that an approved instructor will preside throughout the course.

(e) In the case of distance education courses:

- (1) Whether the licensee or holder of a certificate will be required to complete:
    - (I) A written examination proctored by an official approved by the Commission; or
    - (II) If the course does not include such an examination, the course mechanisms required by the Commission for accreditation of the course; and
  - (2) Whether the course is presented by an accredited college or university, has received the approval for college credit from the American Council on Education's College Credit Recommendation Service or has been approved through the program of approval of the Appraisal Qualifications Board ~~[redacted]~~ *or International Distance Education Certification Center.*
    - (f) In the case of presentations by videotape, whether the sponsor will provide an approved instructor at the site of the presentation to supplement and control instruction in the course.
    - (g) Any other criteria that the Commission deems appropriate.
4. For all approved courses, the sponsor shall provide a certified copy of the record of completing the course to the licensee or holder of a certificate upon his completion of the course. The Division shall accept the certificate as proof of the licensee's or holder's attendance for the purpose of renewing or reinstating his license or certificate. If the course is taken at a university or community college, the proof of attendance must be a certified transcript. The certificate of a sponsor must contain the:
- (a) Name of the sponsor;
  - (b) Name of the licensee or holder of a certificate and his license number or certificate number;
  - (c) Number of hours of ~~[redacted]~~ *credit for continuing education for which the course is approved;*
  - (d) Dates of instruction;

- (e) Title of the course or seminar;
- (f) Sponsor's number assigned by the division; and
- (g) Signature of the person authorized to sign for the sponsor.

5. The Commission may grant approval for courses of continuing education offered by a nationally recognized appraisal organization which is a member of the Appraisal Foundation or an organization approved by the Commission, without considering a specific application.

**Sec. 41.** NAC 645C.317 is hereby amended to read as follows:

645C.317 1. Except as otherwise provided in NAC 645C.315 regarding distance education courses, an appraiser may apply to the Commission for the approval of a course of continuing education which is provided out of state if the appraiser has:

- (a) Attended or will attend the course outside Nevada;
- (b) Taken or will take the course within the period prescribed by NRS 645C.430 for the renewal or reinstatement of his certificate or license; and
- (c) Submitted an application on a form supplied by the Division accompanied by the applicable application fee for the annual approval of a course of instruction offered for continuing education.

2. Under appropriate circumstances, the Commission may give retroactive approval for a course attended out of state.

3. Except as otherwise provided in subsection 5, approval of a course pursuant to this section applies only to the specific:

- (a) Course described in the application;
- (b) Date on which the course was given; and
- (c) Appraiser who submitted the application.

4. In determining whether to approve a course attended out of state, the Commission will consider:

(a) Whether the course consists of at least ~~{3}~~ 2 hours of instruction.

(b) Whether the course meets the standards set forth in NAC 645C.305 and is acceptable under the provisions of NAC 645C.310.

(c) Any available information regarding the qualifications of the instructor of the course.

(d) The sufficiency of the proof of attendance of the course by the applicant. To obtain credit for attendance of the course, the applicant must attend the required number of hours of instruction and take and pass any examination administered in the course.

(e) Any other criteria that the Commission deems appropriate.

5. If the ~~{Division}~~ *Commission* approves a specific course based on an initial application by an appraiser pursuant to subsections 1 to 4, inclusive, ~~{it}~~ *the Commission* shall approve an application submitted subsequently by another appraiser who attended the same course if that appraiser submits:

(a) Proof of his attendance of the course; and

(b) The applicable application fee for the annual approval of a course of instruction offered for continuing education.

6. If the ~~{Division}~~ *Commission* approves a course pursuant to this section, the sponsor of the course:

(a) Is not required to comply with NAC 645C.325 . ~~{and 645C.335.}~~

(b) Shall not advertise that the course has been approved by the Commission.

**Sec. 42.** NAC 645C.320 is hereby amended to read as follows:



645C.320 1. The approval or reapproval of any course of continuing education by the Commission is subject to a condition that the Division may audit the course . ~~{the first time the course is offered.~~

~~—2. If the Division does not audit a course during the first offering of the course in Nevada, the Commission will deem the course approved.}~~ The Commission’s approval of a course for continuing education is effective for 1 year after the original approval or a reapproval.

~~{3.}~~ 2. A sponsor must apply for reapproval on a form provided by the Division and describe on that form any changes in the course. An application for reapproval must be filed at least 2 weeks before the previous approval expires and, if the sponsor does not do so, the sponsor must apply for an original approval.

~~{4.}~~ 3. *The Division may reapprove a course if no changes in the course have occurred since the course was approved or reapproved.*

4. Each of the following acts and conditions is a ground for the Commission to withdraw its approval of a course:

- (a) Poor quality of the curriculum or instruction, as shown by evaluations.
- (b) Violation of any of the provisions of this chapter governing continuing education.

~~{5. In determining whether to withdraw its approval of a course deemed to be approved pursuant to subsection 2, the Commission will follow a procedure similar to that used for the suspension or revocation of a license or certificate.}~~

**Sec. 43.** NAC 645C.322 is hereby amended to read as follows:

645C.322 1. If the Division audits ~~{the first offering of}~~ a course provided in Nevada and determines that the course does not meet the standards for courses of continuing education set forth in this chapter, the Division shall ~~{revoke the conditional}~~ *withdraw the* approval of a

course. Within 30 days after the conduct of the audit, the Administrator shall give the school written notice that approval of the course has been ~~revoked~~ *withdrawn* and shall provide specific reasons for the ~~revocation. The revocation~~ *withdrawal. The withdrawal of the approval* of a course is effective upon receipt of the written notice by the school.

2. The Division shall give credit for continuing education to a student who attended the course before the school received written notice of the ~~revocation~~ *withdrawal of the approval* of the course.

3. The school may appeal the decision of the Division to ~~revoke~~ *withdraw* approval of a course pursuant to this section by making a written demand to the Commission for a hearing within 20 calendar days after the school receives the written notice pursuant to subsection 1.

4. ~~Within 90 days after receipt of a written demand for a hearing, the~~ *The* Commission will hold a hearing ~~[-]~~ *concerning withdrawal of approval of the course by the Division at its next regularly scheduled meeting and take one of the following actions:*

*(a) Affirm the decision of the Division to withdraw approval of the course;*

*(b) Suspend approval of the course for a limited period and under such conditions as the Commission deems appropriate; or*

*(c) Reverse the decision of the Division to withdraw approval of the course.*

**Sec. 44.** NAC 645C.325 is hereby amended to read as follows:

645C.325 1. The sponsor of an approved course for the continuing education of licensees or holders of certificates shall:

(a) Not allow a licensee or holder of a certificate to pass the course by taking the examination without having the required attendance;

(b) Admit authorized personnel of the Division to audit and evaluate the presentation of the course; and

(c) Notify the Division within 15 calendar days after making any material change in the course.

2. Each sponsor shall provide evaluations for a course for continuing education and shall maintain ~~[a tabulation of]~~ the results of the evaluations for 2 years. The Division may request a review of those evaluations.

3. ~~[The sponsor shall determine whether a final examination is required for the completion of the course.]~~

~~—4.]~~ If a course offered by a professional organization has been approved for continuing education, the organization shall not restrict attendance at the course to members of that organization.

**Sec. 45.** NAC 645C.332 is hereby amended to read as follows:

645C.332 1. The Division may ~~[revoke]~~ *withdraw* the approval of an instructor of a course of continuing education:

(a) If any licensing authority has taken disciplinary action against the instructor; or

(b) If, after an audit of the course and review of the evaluations of the course, the Division concludes that the instructor is not qualified to instruct the course.

2. The Division shall give the instructor and sponsor written notice that it has ~~[revoked]~~ *withdrawn* the approval of the instructor. The written notice must specify the reason for the ~~[revocation.]~~ *withdrawal*.

3. An instructor may appeal the decision of the Division to ~~revoke~~ *withdraw* his approval by making a written demand to the Commission for a hearing within 20 calendar 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, the~~ *The* Commission will hold a hearing ~~and~~ *concerning withdrawal of the approval of the instructor by the Division at its next regularly scheduled meeting and take one of the following actions:*

*(a) Affirm the decision of the Division to withdraw approval of the instructor;*

*(b) Suspend approval of the instructor for a limited period and under such conditions as the Commission deems appropriate; or*

*(c) Reverse the decision of the Division to withdraw approval of the instructor.*

**Sec. 46.** NAC 645C.340 is hereby amended to read as follows:

645C.340 1. Any advertising, promotional brochure or form for registration for a course for continuing education must contain, in writing, the policy of the sponsor concerning cancellation and refunds.

2. All advertising must ~~specify that such courses have~~ :

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

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

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

**Sec. 47.** NAC 645C.345 is hereby amended to read as follows:

645C.345 1. A licensee or holder of a certificate may receive credit for continuing education if he teaches an approved course. Credit will be given only once for teaching the

course. The licensee or holder of a certificate must submit proof that he taught the course during the applicable period of licensing or certification. The instructor may receive 2 hours of credit per each hour of instruction.

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

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

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

**Sec. 48.** NAC 645C.350 is hereby amended to read as follows:

645C.350 The Commission will allow not more than ~~[7]~~ 8 hours of credit per day of instruction for courses of continuing education . ~~[given without a final examination, and not more than 8 hours of credit per day of instruction for courses of continuing education requiring a final examination.]~~

**Sec. 49.** NAC 645C.355 is hereby amended to read as follows:

645C.355 The Commission will grant credit for continuing education, not to exceed 6 hours, to a licensee or holder of a certificate once during each period of licensing or certification if the following conditions are met:

1. The licensee or holder of a certificate *attends a meeting of the Commission and the licensee or holder* was not participating in or otherwise affiliated with ~~the Commission's meeting;~~ *a disciplinary hearing conducted by the Commission;*

2. The Commission's meeting lasted at least ~~3~~ *2* hours; and

3. The Commission certifies to the attendance of the licensee or holder of a certificate.

**Sec. 50.** NAC 645C.400 is hereby amended to read as follows:

645C.400 *1.* The Commission hereby adopts by reference the *Uniform Standards of Professional Appraisal Practice* ~~;~~ adopted by the Appraisal Standards Board of the Appraisal Foundation ~~;~~, *2003 edition*. The *Uniform Standards of Professional Appraisal Practice* may be obtained from the Appraisal Foundation ~~Publications Department, P.O. Box 96734, Washington, D.C. 20090-6734;~~ *Distribution Center, P.O. Box 381, Annapolis Junction, Maryland 20701-0381*, for the price of ~~\$25.~~ *\$40*.

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

**Sec. 51.** NAC 645C.405 is hereby amended to read as follows:

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

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

**Sec. 52.** NAC 645C.415 is hereby amended to read as follows:

645C.415 1. In any advertisement through which a licensee or holder of a certificate offers to perform services for which a license or certificate is required by chapter 645C of NRS, he shall disclose:

- (a) The name under which he is licensed or certified;
- (b) The name under which he does business; and
- (c) The type of license or certificate he holds.

2. An intern may not advertise solely under his own name when acting in the capacity of an intern. All such advertising must be under the direct supervision of and in the name of the *supervisory* appraiser with whom he is associated.

3. Any form of advertisement used by an appraiser may not contain any misrepresentations or misleading information.

**Sec. 53.** NAC 645C.445 is hereby amended to read as follows:

645C.445 1. The Division shall 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. If a citizen's complaint is made or the Division requests an investigation of an appraiser, the Administrator shall appoint a member of the staff of the Division to investigate any action of an appraiser which appears to violate a provision of chapter *116*, 119, 119A, 645, 645C or 645D of NRS or the regulations adopted pursuant thereto. An investigation that is initiated by a complaint need not be limited to the matter in the complaint.

3. The Division may accept written anonymous complaints. If an anonymous complaint includes sufficient information indicating that a violation of any provision of chapter *116*, 119, 119A, 645, 645C or 645D of NRS, or of any regulation adopted pursuant thereto, has likely occurred, the Administrator shall appoint a member of the staff of the Division to investigate the complaint. Such an investigation is not limited to the matter in the complaint.



4. An appraiser or intern shall disclose all facts and documents pertinent to an investigation to members of the Division's staff conducting the investigation.

5. A person appointed to investigate a matter pursuant to this section shall submit a written report to the Administrator which describes the results of the investigation.

6. The Administrator shall review a report submitted pursuant to subsection 5 and based upon the review shall:

(a) Create an advisory committee to review the matter that is the subject of the investigation pursuant to NAC 645C.600, if the appraiser who is the subject of the investigation agrees to participate in an informal conference with an advisory committee;

(b) Schedule a hearing that must be conducted pursuant to NAC 645C.500; or

(c) Negotiate a resolution of the matter with the appraiser who is the subject of the investigation, which may include, without limitation, the disciplinary actions described in subsection 2 of NRS 645C.460 ~~[ ]~~ *and an agreement for the voluntary surrender of a license or certificate in lieu of disciplinary action.* A resolution negotiated pursuant to this paragraph is subject to the approval of the Commission.

**Sec. 54.** NAC 645C.500 is hereby amended to read as follows:

645C.500 1. The presiding officer of a hearing shall:

(a) Ascertain whether all persons ~~[commanded]~~ *ordered* to appear under subpoena are present, and whether all documents, books, records and other evidence under subpoena are present in the hearing room.

(b) Administer the oath to the reporter as follows:

Do you solemnly swear or affirm that you will report this hearing to the best of your stenographic ability?

(c) Administer the oath to all persons whose testimony will be taken as follows:

Do you and each of you solemnly swear or affirm to tell the truth and nothing but the truth in these proceedings?

(d) Ascertain whether either party desires to have a witness excluded from the hearing room until he is called. A witness may be excluded upon the motion of the Commission or upon the motion of either party.

(e) Ascertain whether a copy of the formal complaint or decision to deny has been filed and whether an answer has been filed as part of the record in the proceedings.

(f) Request the Division to proceed with the presentation of its case.

2. The Division may not submit any evidence to the Commission before the hearing except for the formal complaint and answer.

3. The respondent may cross-examine witnesses in the order that the Division presents them.

4. Witnesses or counsel may be questioned by the members of the Commission at any time during the proceeding.

5. Evidence which ~~is to~~ *will* be introduced must first be marked for identification by the Secretary for the Commission.

6. When the Division has completed its presentation, the presiding officer shall request the respondent to proceed with the introduction of evidence and calling of witnesses on his behalf.

7. The Division may cross-examine witnesses in the order that the respondent presents them.

8. When the respondent has completed his presentation, the Division may call any rebuttal witnesses.

9. When all testimony for the Division and respondent has been given and all evidence submitted, the presiding officer may request the Division and the respondent to summarize their presentations.

10. The presiding officer shall indicate for the record that the hearing is terminated, and that the Commission will issue a decision after considering all the evidence. After presentation of the case by the Division and the respondent and closing arguments by either party, if any, a recess may be ordered.

11. The date of decision is the date the written decision is signed by a Commissioner or filed with the Commission, whichever occurs later in time.

12. In the absence of the President of the Commission, any matter which must be acted upon may be submitted to the Vice President or to the Secretary.

13. Upon the presentation of evidence that the respondent received notice of the hearing and has not filed an answer within the time prescribed pursuant to NRS 645C.510, his default may be entered and a decision may be issued based upon the allegations of the complaint.

***14. The formal complaint, a certified copy of the appraisal and the notice of hearing will be placed in evidence.***

**Sec. 55.** NAC 645C.075, 645C.247, 645C.335, 645C.410, 645C.420 and 645C.455 are hereby repealed.

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**TEXT OF REPEALED SECTIONS**

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**645C.075 Authorization to take examination.**

1. An applicant for a license or certificate as an appraiser may not take the written examination for licensing or certification until the Division authorizes him in writing to appear for the examination.

2. The applicant must take the examination prescribed by the Division at the time and place set forth in the written authorization sent to him.

**645C.247 Approval of credit for course not attended by applicant.** The Commission will approve credit for a course of instruction that an applicant did not attend if:

1. Credit for the course was granted on or before July 1, 1990;
2. The Commission is satisfied with the quality of the examination administered by the provider of the course; and
3. The applicant successfully completed the examination.

**645C.335 Information required on materials used in course.** If a course has been approved and is being offered for continuing education, the sponsor must state on all the materials used in the course:

1. That the course is approved for continuing education in Nevada by the Commission;

2. The number of hours of credit for continuing education for which the course is approved;
- and
3. The sponsor's number assigned by the Division.

**645C.410 Duties of appraisers regarding interns.** An appraiser shall:

1. Teach interns associated with him the fundamentals of appraisals and the ethics and standards of the profession; and
2. Supervise the appraisal activities of those interns.

**645C.420 Location of office.** An appraiser shall establish an office in a location which is easily accessible to members of the general public. If he chooses to establish an office in a private home or in conjunction with another business, he shall comply with all local zoning requirements.

**645C.455 Written appraisal required for federally related transaction.** An appraisal for a federally related transaction, as that term is defined in 12 U.S.C. § 3350(4), must be in writing.