

**REVISED PROPOSED REGULATION OF THE
REAL ESTATE DIVISION OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R153-06

December 12, 2006

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

AUTHORITY: §§1-4, NRS 119A.170 and 119A.190.

A REGULATION relating to time shares; setting forth provisions governing the issuance, validity and limitations of a temporary sales agent's license issued by the Real Estate Division of the Department of Business and Industry; and providing other matters properly relating thereto.

Section 1. Chapter 119A of NAC is hereby amended by adding thereto the provisions set forth as sections 2, 3 and 4 of this regulation.

Sec. 2. 1. *The Division will grant a temporary sales agent's license to an applicant who has submitted:*

(a) A complete application for a sales agent's license in compliance with NRS 119A.210 and NAC 119A.075 and 119A.077;

(b) A written statement of acknowledgement from the project broker who will employ the applicant that:

(1) The project broker has obtained a report on the background of the applicant from a licensed private investigator or other reputable source acceptable to the Division;

(2) The project broker is satisfied that the applicant has a reputation for honesty, trustworthiness and competence; and

(3) There is a written agreement between the project broker and the applicant in which the applicant states that he understands and agrees that his employment in a position as a temporary sales agent will be terminated if the Division denies his application; and

(c) A copy of the report described in subparagraph (1) of paragraph (b), which must demonstrate that the applicant has not been convicted of, or pleaded guilty or nolo contendere to, any crime that would be grounds for the Division to deny the application pursuant to NAC 119A.085.

2. The Division will issue a temporary license to the project broker for an applicant upon verifying the applicant's complete submission of all of the required items set forth in subsection 1.

Sec. 3. 1. *A temporary license granted to an applicant by the Division will expire automatically:*

(a) If the Division denies the applicant's application;

(b) Upon the issuance of a sales agent's license to the project broker for the applicant;

(c) If the Division denies the applicant an identification card or permit of any kind;

(d) If the applicant terminates employment with the project broker who provided the written statement of acknowledgment identified in section 2 of this regulation; or

(e) If the applicant's check for the fee for the application of an original license is returned for insufficient funds.

2. An applicant may not work for a new project broker without resubmitting a complete application for a sales agent's license in compliance with NRS 119A.210 and NAC 119A.075 and 119A.077 and section 2 of this regulation.

3. *Except as otherwise provided in this section, a temporary license expires 1 year after its date of issuance and may not be renewed.*

4. *Within 10 days after an applicant's employment is terminated, the project broker shall notify the Division of the termination and return the temporary license to the Division.*

5. *If the Division denies the applicant's application, the applicant:*

(a) *May request a hearing to contest the denial of the application pursuant to NAC 119A.090; and*

(b) *Shall not work as a temporary sales agent or in any other position that requires a temporary license while the decision on the appeal requested pursuant to paragraph (a) is pending.*

Sec. 4. 1. A temporary licensee shall not:

(a) *Conduct sales-related activities unless he is:*

(1) *Under the supervision of:*

(I) *His project broker; or*

(II) *A cooperating real estate broker designated by the project broker in accordance with subsection 3 of NAC 119A.100.*

(2) *At the principal place of business or a branch office of the project broker, or at the physical location of a time-share development.*

(b) *Collect personal information from a prospective purchaser or purchaser of a time share.*

2. *A project broker shall not grant to a temporary licensee:*

(a) *Access to a time-share lockbox; or*

(b) The ability to enter a private residence or a time-share unit that an unlicensed person otherwise would not have.

3. A project broker or a cooperating real estate broker designated by the project broker in accordance with subsection 3 of NAC 119A.100 shall:

(a) Supervise the temporary licensee employed by the project broker; and

(b) Review and approve in writing any contract prepared by the temporary licensee that relates to the sale of a time share.

4. A temporary licensee may receive a commission for the sale of a time share in which the temporary licensee is involved.

5. As used in this section:

(a) "Temporary licensee" means an applicant who receives a temporary sales agent's license from the Division pursuant to section 2 of this regulation.

(b) "Personal information" has the meaning ascribed to it in NRS 603A.040.