

**PROPOSED REGULATION OF
THE REAL ESTATE COMMISSION**

LCB File No. R025-10

May 13, 2010

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

AUTHORITY: §§1-3, NRS 645.190 and 645.400.

A REGULATION relating to real estate brokers; amending provisions concerning financial requirements to obtain a license as a real estate broker; and providing other matters properly relating thereto.

Section 1. NAC 645.102 is hereby amended to read as follows:

645.102 1. *Before a person who wishes to apply for a license as a real estate broker submits an application for the license pursuant to NRS 645.350, the person must obtain approval of his or her financial condition from the Division pursuant to NAC 645.120.*

2. An applicant for a license as a real estate broker must satisfy the requirements for a license as a real estate salesman as set forth in NAC 645.100 except the educational requirements set forth in paragraph (b) of subsection 2 of NAC 645.100. In lieu of providing proof that he has satisfied the educational requirements for a license as a real estate salesman, the applicant must include with an application submitted to the Division pursuant to NRS 645.350 proof that he has satisfied the educational requirements for a license as a real estate broker as set forth in NRS 645.343.

~~[2.]~~ 3. In addition to satisfying the requirements set forth in subsection ~~[1.]~~ 2, an applicant for a license as a real estate broker must include with the application he submits to the Division pursuant to NRS 645.350 ~~[:~~

~~—(a) Proof~~ *proof* that he has satisfied the experience requirements for a license as a real estate broker as set forth in subsection 4 of NRS 645.330 . ~~[-; and~~

~~—(b) The financial information required pursuant to NAC 645.120.]~~

Sec. 2. NAC 645.120 is hereby amended to read as follows:

645.120 ~~[The]~~ *1. Before a person who wishes to apply for a license as a real estate broker submits an application for the license pursuant to NRS 645.350, the* Division shall consider the financial condition of ~~[each applicant for a license as a real estate broker]~~ *the person* and require the *person to submit to the Division the* following financial information ~~[with his application:~~

~~—1.] :~~

(a) The ~~[applicant's]~~ *person's* current employer and the employer's address;

~~[-2.—The applicant's current financial obligations, including charge accounts;~~

~~—3.—The applicant's cash on hand;~~

~~—4.]~~ (b) The ~~[applicant's]~~ *person's* checking accounts with amounts;

~~[5.]~~ (c) The ~~[applicant's]~~ *person's* savings accounts with amounts;

~~[6.—The names and values of securities and stocks held by the applicant;~~

~~—7.—The value and identification of any other assets;]~~ and

~~[8.]~~ (d) Such other information concerning the ~~[applicant's]~~ *person's* finances as the Division deems pertinent.

2. A person may not apply for a license as a real estate broker unless the person has submitted to the Division the information required by this section and the Division has approved the financial condition of the person.

Sec. 3. NAC 645.150 is hereby amended to read as follows:

645.150 1. The Division may investigate the financial responsibility of each applicant for a license as a real estate broker. If the Division determines that an applicant is not financially responsible, it may require that the applicant be licensed as a real estate broker-salesman until he meets the requirements of financial responsibility as determined by the Commission. The Division may require an applicant for a license as a real estate broker to submit a credit report to the Division at his own expense.

2. An applicant for a license as a real estate broker shall be deemed financially responsible if he can show liquid assets sufficient to maintain an office for at least 180 days. The applicant's cash on hand must be on deposit at least 90 days before the date of the application. Anyone denied a license for lack of financial responsibility does not waive his right to appeal pursuant to NRS 645.440 by acceptance of a license as a real estate broker-salesman.

3. The Administrator may require other proof of the honesty, truthfulness and good reputation of any applicant, including the officers and directors of any corporation, or the members of any partnership or association making an application, before accepting an application for a license.

4. As used in this section, "liquid assets" means assets that are the equivalent of cash or easily converted into cash. The term:

(a) Includes, without limitation, money in a checking, savings or money market account and certificates of deposit.

(b) Does not include a line of credit.