

**NOTICE OF INTENT TO ACT UPON A REGULATION**  
**NOTICE OF HEARING FOR THE ADOPTION, AMENDMENT OR**  
**REPEAL OF REGULATIONS OF THE NEVADA REAL ESTATE**  
**COMMISSION**  
**LCB FILE No. R097-14**

The Nevada Real Estate Commission will conduct a public hearing at 1:00 p.m. on Tuesday, December 15, 2015, at the Nevada Department of Employment, Training and Rehabilitation 2800 E. St. Louis Ave, Conference Rooms A-C, Las Vegas, Nevada 89104 with video conference to the Nevada Department of Employment, Training and Rehabilitation 500 East Third Street, Carson City, Nevada 89713. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations that pertain to Chapter 645 of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.060:

**Information Regarding Adoption**

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

**1. Purpose and need of the proposed regulations**

The purpose and need for LCB File No. R097-14 Section 1 is due to applicants having difficulty receiving experience verification from a broker for various reasons. This amendment would allow for a designated supervising manager of an office to verify the experience of an applicant/licensee.

The purpose and need for amendments to Section 2 assures that the Real Estate Division is furnished with the proper information from an individual who wants to hold an out-of-state cooperative broker certificate in Nevada proving that the individual is licensed and in good standing in another state since the Nevada broker is responsible for the activities of the out-of-state broker.

Section 3 eliminates the misuse of out-of-state cooperative broker certificates. Out-of-state cooperative broker certificates have been used to set up franchise offices out-of-state to conduct brokerage businesses in other states which are not the intended use for a cooperative certificate. Limiting the certificate to a single and particular transaction and timeframe would correspond with other temporary licenses under the Division's jurisdiction.

The need for Sections 5-7 and 9 addresses a loop hole for distance education providers who claim reciprocity for their approval in another state.

**Section 8 clarifies conflicting language in law concerning broker management pre-licensing education.**

**Section 10 clarifies that student evaluations and an investigation conducted by the Division are grounds for the Administrator to withdraw approval of a course.**

**Section 11 clarifies that a course will not be automatically approved if there is material change to the course.**

**Section 12 clarifies that a sponsor must only electronically submit the roster of students who met the requirements to have completed a course.**

**Section 13 contains corrections to address the electronic submittal of course rosters.**

**Section 14 addresses expansion of topics reflecting the changes in the real estate market and broadens areas that were not previously included.**

**Section 15 gives the Division authority to approve continuing education courses lessening the timeframe that it takes an education sponsor to receive approval and sets forth an appeal process.**

**Section 16 clarifies to licensees that a continuing education course can only be taken once during a single licensing period.**

**Section 17 changes was necessary when 4-year licensing was in effect but might not need to be addressed since the 2015 Legislative Session changed the licensing period back to 2-year licensing.**

**Section 18 is needed to address trust account problems and embezzlement. This change will aid in monitoring compliance and averting commingling and embezzlement of funds held in trust.**

## **2. Terms of the proposed regulations**

- **Revising provisions relating to the verification of experience of certain licensees;**
- **Revising provisions relating to an application for, and use of, a cooperative certificate;**
- **Revising provisions relating to applications for the approval of educational courses for original licensing;**
- **Exempting certain schools from requiring preapproval before offering a course in broker management under certain circumstances;**
- **Revising provisions relating to schools from which the Real Estate Commission will accept certain courses without preapproval of the school;**

- Revising provisions setting forth the circumstances under which the Real Estate Administrator may withdraw approval of a course;
- Revising provisions relating to the re-approval of an approved course;
- Revising provisions relating to a student's completion of a course and proof thereof;
- Revising provisions relating to post licensing education;
- Revising provisions relating to the standards for, and approval of, courses of continuing education;
- Prohibiting certain persons from receiving credit for completing a course;
- Revising provisions relating to annual accounting by brokers who maintain trust accounts; and
- Providing penalties.

### 3. Estimated Economic Effect

#### (a) Adverse effects:

Amendments to section 3 of the proposed regulation would change the validation of a cooperative certificate to one transaction per year per certificate. This would require out-of-state brokers who intend on doing multiple transactions in Nevada to file multiple applications and pay application fees for each transaction instead of submitting one application and paying a single application fee per year.

#### (b) Beneficial effects:

Amendments to section 1 of the proposed regulation would allow a broker-salesperson who is acting as a manager of a principal or branch office the authority to verify the experience of an applicant/licensee. This amendment would assist licensees whose previous brokers are unavailable, deceased or not willing to communicate with the licensee. This would reduce the burden on licensees who need their experienced verified to change their license.

Amendments to section 15 are beneficial to education sponsors because the current timeframe for approval by the Commission is based on when the next Commission meeting is scheduled which is usually quarterly. The Division approving continuing education courses would be more timely and efficient.

#### (c) Immediate effect:

Changes to section 1 of the proposed regulation would immediately effect licensees who seek to apply for a broker-salesperson license yet have been delayed because of their inability to locate a previous broker to verify experience or the previous broker is deceased.

Changes to section 3 of the proposed regulation would immediately effect out of state brokers and Nevada brokers who apply for one cooperative certificate per year and conduct multiple transactions. Out of state brokers

would incur additional fees and waiting for the application to be processed by the Division could possibly delay the transaction.

Changes to section 10 of the proposed regulation immediately effect sponsors of an approved course. Amendments to this section would allow the Administrator to withdraw approval of a course pursuant to student evaluations, an audit or investigation conducted by the Division. The current regulation only allows the Administrator to withdraw approval based only on an audit which limits the Division.

Changes to section 11 of the proposed regulation immediately effect approved course sponsors conducting courses in updates to law and legislation. Law and legislation courses are only relevant for not more than two years. Sponsors for these courses would only be reapproved once by the Division requiring course sponsors to come before the Commission once every two years to have law and legislation courses approved.

Changes to section 15 of the proposed regulation would give the Division authority to approve continuing education courses and sets forth the appeal process for denial by the Division. This proposed change immediately effect education sponsors because the current timeframe for approval by the Commission could be from three to five months. The Division approving continuing education would be more timely and efficient instead of the sponsor having to wait for the next scheduled Commission meeting for a decision.

Changes to section 18 of the proposed regulation immediately effect brokers. The amendments to this section clarifies when it is necessary for a broker to provide a trust reconciliation to the Division and what a broker must submit to the Division if a broker is not practicing property management.

**(d) Long term effects:**

The long term effects on the proposed regulation will be clarity, efficiency and public safety.

**4. Estimated Cost to the Agency.**

There is no additional cost to the agency for this change in regulation.

**5. Duplication with other Agencies:**

Does not duplicate any existing federal, state or local standards regulating the same activity.

**6. Federal Law:**

Not addressed in federal law.

**7. Federal Regulation:**

Not addressed in federal regulations.

**8. New Fee Established:**

No new fee is established by this regulation change.

**Comments and Written Submissions**

Persons wishing to comment on the proposed action of the Commission may appear at the scheduled public hearings or may address their comments, data, views or arguments, in written form to:

Nevada Real Estate Division  
2501 E. Sahara Avenue, Room 303  
Las Vegas, NV. 89104-4137  
Attn: Teralyn Thompson, Administration Section Manager

Written submissions must be received by the Division no later than Thursday, December 17, 2015. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

**Copies of Proposed Regulation**

A copy of this notice and the proposed regulation will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation are available on the Division website at [www.red.nv.gov](http://www.red.nv.gov) and at the Division office:

Real Estate Division  
2501 East Sahara, Suite 303  
Las Vegas, NV. 89104-4137

The text of each regulation will include the entire text of any section of the Nevada Administrative Code, which is proposed for amendment or repeal. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653 and on the Internet at:

<https://www.leg.state.nv.us/register/2014Register/R097-14RP1.pdf>

Copies will also be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

**This notice of hearing has been posted at the following locations:**

**Nevada Real Estate Division  
1818 E. College Parkway, Suite 110  
Carson City, Nevada 89706**

**Carson City Library  
900 N. Roop Street  
Carson City, Nevada 89701**

**Churchill County Library  
553 S. Maine Street  
Fallon, Nevada 89406**

**Elko County Library  
720 Court Street  
Elko, Nevada 89801**

**Lincoln County Library  
63 Main Street  
PO Box 330  
Pioche, Nevada 89043**

**Lyon County Library  
20 Nevin Way  
Yerington, Nevada 89447**

**Tonopah Public Library  
167 S. Central Street  
Tonopah, Nevada 89049**

**Washoe County Library-Reno  
301 S. Center Street  
Reno, Nevada 89501**

**Battle Mountain Library  
625 S. Broad Street  
Battle Mountain, Nevada 89820**

**Nevada Real Estate Division  
2501 E. Sahara Avenue, Suite 102  
Las Vegas, Nevada 89104  
[www.red.nv.gov](http://www.red.nv.gov)**

**Las Vegas-Clark County Library  
833 N. Las Vegas Boulevard  
Las Vegas, Nevada 89101**

**Douglas County Public Library  
1625 Library Lane  
Minden, Nevada 89423**

**Goldfield Public Library  
PO Box 430  
Goldfield, Nevada 89013**

**Humboldt County Library  
85 E. Fifth Street  
Winnemucca, Nevada 89445**

**Storey County Library  
PO Box 999  
175 E. Carson Street  
Virginia City, Nevada 89440**

**Mineral County Library  
PO Box 1390  
Hawthorne, Nevada 89415**

**Pershing County Library  
400 Main Street  
Lovelock, Nevada 89419**

**White Pine County Library  
950 Campton Street  
Ely, Nevada 89301**

**SMALL BUSINESS IMPACT STATEMENT  
NAC 645  
LCB File No. R097-14**

**1. LCB File No. R097-14 Small Business Impact Statement pursuant to NRS 233B.0608:**

**(a) A description of the manner in which comment was solicited from affected small business, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.**

The Real Estate Division posts proposed changes to NAC 645.806, NAC 645.695 and NAC 645.141 on the Division's website for the public to review and respond. The Real Estate Commission held a public meeting on March 25-26, 2014 in which there was an agenda item regarding discussion and decision concerning Commission's consideration of proposed regulation changes, additions and deletions to NAC 645. There were no comments from the public or small businesses regarding the proposed regulation changes.

The Division posted a notice of workshop for LCB File No. R097-14 to be scheduled for April 22, 2015. Notice of this workshop was posted on the Division's website and distributed through the Division's posting list. There were comments from continuing education sponsors regarding the increase in fines in section 17.

Interested persons may obtain a copy of the summary of the Small Business Impact Statement on the Division's web site [www.red.nv.gov](http://www.red.nv.gov) or by request to:

Teralyn Thompson, Administration Section Manager  
Nevada Real Estate Division  
2501 East Sahara Avenue, Suite 303  
Las Vegas, NV 89104  
tlthompson@red.nv.gov

**(b) The manner in which the small business analysis was conducted for LCB File No. R097-14.**

The Division posted proposed changes to the regulation on its web site and the proposed changes were discussed at the Real Estate Commission meeting held April 22, 2015. There were comments from the public regarding the fines in section 17 but this section might be a mute issue since the Division has gone from 4-year licensing to 2-year licensing.

**(c) The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:**

**(1) Both adverse and beneficial effects:**

**(I) Adverse effects:**

Amendments to section 3 of the proposed regulation would change the validation of a cooperative certificate to one transaction per year per certificate. This would require out-of-state brokers who intend on doing multiple transactions in Nevada to file multiple applications and pay application fees for each transaction instead of submitting one application and paying a single application fee per year.

**(II) Beneficial effects:**

Amendments to section 1 of the proposed regulation would allow a broker-salesperson who is acting as a manager of a principal or branch office the authority to verify the experience of an applicant/licensee. This amendment would assist licensees whose previous brokers are unavailable, deceased or not willing to communicate with the licensee. This would reduce the burden on licensees who need their experienced verified to change their license.

Amendments to section 15 are beneficial to education sponsors because the current timeframe for approval by the Commission is based on when the next Commission meeting is scheduled which is usually quarterly. The Division approving continuing education courses would be more timely and efficient.

**(2) Both direct and indirect effects.**

**(I) Direct effect:**

Changes to section 1 of the proposed regulation directly affects licensees who seek to apply for a broker-salesperson license yet have been delayed because of their inability to locate a previous broker to verify experience or the previous broker is deceased.

Changes to section 3 of the proposed regulation directly affect out of state brokers and Nevada brokers who apply for one cooperative certificate per year and conduct multiple transactions. Out of state brokers would incur additional fees and waiting for the application to be processed by the Division could possibly delay the transaction. Section 3(2) is amended to require the Nevada broker to report to the Division any changes to the address and license status of the Nevada broker and the out of state broker. Violation of this subsection could result in a revocation of the cooperative certificate.

Changes to section 10 of the proposed regulation directly affect sponsors of an approved course. Amendments to this section would allow the Administrator to withdraw approval of a course pursuant to student evaluations, an audit or investigation conducted by the Division. The current regulation only allows the Administrator to withdraw approval based only on an audit which limits the Division.

Changes to section 11 of the proposed regulation directly affect approved course sponsors conducting courses on updates to law and legislation. Law and legislation courses are only relevant for not more than two years. Sponsors for these courses would only be reappraised once by the Division requiring course sponsors to come before the Commission once every two years to have law and legislation courses approved.

Changes to section 15 of the proposed regulation would give the Division authority to approve continuing education courses and sets forth the appeal process for denial by the Division. This proposed change directly affects education sponsors because the current timeframe for approval by the Commission could be from three to five months. The Division approving continuing education would be more timely and efficient instead of the sponsor having to wait for the next scheduled Commission meeting for a decision.

Changes to section 18 of the proposed regulation directly affect brokers. The amendments to this section clarifies when it is necessary for a broker to provide a trust reconciliation to the Division and what a broker must submit to the Division if a broker is not practicing property management.

**(II) Indirect effect:**

Changes to section 2 of the proposed regulation add additional reporting requirements of an out of state broker applying for a cooperative certificate in Nevada. The additional requirements include the identity of the client the applicant will be representing and the real property that will be the subject of the transaction. This will indirectly affect the Nevada broker by making sure that any out-of-state brokers are legitimate and in good standings with the state in which the out-of-state broker is licenses. This will assist in public safety.

**(d) A description of the methods that the Real Estate Division considered to reduce the impact of LCB File No. R097-14 on small businesses and a statement whether the Real Estate Division actually used any part of those methods.**

The impact of LCB File No. R097-14 on small businesses is more beneficial than adverse.

**(e) The estimated cost to the agency for enforcement of the proposed regulation.  
No additional cost to the agency.**

**(f) If LCB File No. R097-14 provides a new fee or increases an existing fee, the total annual amount the Real Estate Division expects to collect and the manner in which the money will be used.**

Section 17 of the proposed regulation increases the administrative fine for violations of NAC 645.4442 and NAC 645.448 from \$100.00 to \$250.00. In 2014, the Real Estate Division Issued approximately 770 administrative fines due to violations of NAC 645.4442 and NAC 645.448.

The total annual amount that the Division expects to collect would be approximately \$192,500.00.

Section 17 of the proposed regulation adds a new administrative fine of \$1,000.00 for violations of NAC 645.455. January 2014 through November 2014 the Division received at least 22 incorrect certificates of completion provided to licensees from course sponsors violating NAC 645.455(4). The total annual amount the Division expects to collect would be at least \$22,000.00.

Administrative fines go into the State's General Fund.

**(g) If LCB File No. R097-14 includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.**

LCB File No R097-14 does not duplicate any existing federal, state or local standards regulating the same activity.

**(h) The reasons for the conclusions of the Real Estate Division regarding the impact of LCB File No. R097-14 on small businesses.**

Staff from the Real Estate Division attended the Real Estate Commission public meeting, listened and observed the Commission's discussion regarding the proposed amendments. The final small business impact statement will reflect any further Commission and public comments.

**I certify that, to the best of my knowledge or belief, the information contained in the Small Business Impact Statement for LCB File No. R097-14 was prepared properly and is accurate.**

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**JOSEPH (JD) DECKER, Administrator**  
Department of Business & Industry  
Real Estate Division

### **NRS 233B.0608(3) Statement**

- 1. Identify the methods used by the agency in determining the impact of the proposed regulation on a small business.**

The Real Estate Division posts proposed changes to NAC 645.806, NAC 645.695 and NAC 645.141 on the Division's website for the public to review and respond. The Real Estate Commission held a public meeting on March 25-26, 2014 in which there was an agenda item regarding discussion and decision concerning Commission's consideration of proposed regulation changes, additions and deletions to NAC 645. There were no comments from the public or small businesses regarding the proposed regulation changes.

The Division posted a notice of workshop for LCB File No. R097-14 to be scheduled for April 22, 2015. Notice of this workshop was posted on the Division's website and distributed through the Division's posting list. There were comments from continuing education sponsors regarding the increase in fines in section 17.

- 2. Identify the reasons for the conclusions of the agency concerning the impact of the proposed regulation on a small business.**

Staff from the Real Estate Division attended the Real Estate Commission public meeting, listened and observed the Commission's discussion regarding the proposed amendments. The final small business impact statement will reflect any further Commission and public comments.

***I certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in this statement is accurate. (NRS 233B.0608(3))***

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**JOSEPH (JD) DECKER, Administrator**  
Department of Business & Industry  
Real Estate Division

**REVISED PROPOSED REGULATION OF  
THE REAL ESTATE COMMISSION**

**LCB File No. R097-14**

**September 3, 2015**

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

**AUTHORITY:** §1, NRS 645.190 and 645.400; §2, NRS 645.190 and 645.605; §3, NRS 645.050, 645.190 and 645.605; §§4 and 10-16, NRS 645.190 and 645.575; §5, NRS 645.190, 645.343 and 645.575; §§6-9, NRS 645.190 and 645.343; §17, NRS 645.050, 645.190, 645.630, 645.633, 645.635 and 645.660; §18, NRS 645.050, 645.190 and 645.310; §19, NRS 645.190.

**A REGULATION** relating to real estate; revising provisions relating to the verification of experience of certain licensees; revising provisions relating to an application for, and use of, a cooperative certificate; revising provisions relating to applications for the approval of educational courses for original licensing; exempting certain schools from requiring preapproval before offering a course in broker management under certain circumstances; revising provisions relating to schools from which the Real Estate Commission will accept certain courses without preapproval of the school; revising provisions setting forth the circumstances under which the Real Estate Administrator may withdraw approval of a course; revising provisions relating to the reapproval of an approved course; revising provisions relating to a student's completion of a course and proof thereof; revising provisions relating to postlicensing education; revising provisions relating to the standards for, and approval of, courses of continuing education; prohibiting certain persons from receiving credit for completing a course; revising provisions relating to annual accountings by brokers who maintain trust accounts; providing penalties; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

Existing regulations require an employing real estate broker to submit to the Real Estate Division of the Department of Business and Industry a verified statement of the experience a licensee has gained while associated with the broker. (NAC 645.141) **Section 1** of this regulation extends this reporting requirement to a real estate broker-salesperson who is acting as manager of a principal or branch office operated by a real estate broker.

Existing regulations set forth the requirements for an application for a cooperative certification for a real estate broker who is licensed in another state and wishes to work in cooperation with a Nevada real estate broker. (NAC 645.180) **Section 2** of this regulation revises the information which must be included with such an application.

**Section 3 of this regulation revises the conditions governing the use of a cooperative certificate.**

**Existing law requires the Real Estate Commission to adopt regulations establishing standards for continuing education for licensees. (NRS 645.575) Section 14 of this regulation amends certain standards for those courses. Section 15 of this regulation amends the requirements for approval of a course for continuing education. Sections 4 and 15 of this regulation revise provisions relating to the proof of compliance with continuing education requirements that the Division must receive before it will renew the license of certain licensees.**

**Existing regulations require certain schools that wish to offer courses to meet educational requirements for licensure to apply to the Commission for approval. (NAC 654.403) Section 6 of this regulation adds to the list of information that must be submitted to the Commission by such a school.**

**Existing regulations require a school to seek approval by the Commission before offering a course in broker management. (NAC 645.437) Section 8 of this regulation exempts certain schools from having to obtain such approval if the course includes certain hours and subjects of instruction.**

**Existing regulations provide that the Commission may accept a course of instruction to fulfill the educational requirements for original licensing from certain schools without prior approval of the school. (NAC 645.440) Section 9 of this regulation provides that the Commission will accept such a course from a set of schools that is further limited.**

**Existing regulations authorize the Real Estate Administrator to withdraw approval of a course if the Administrator determines, pursuant to an audit or otherwise, that the course does not meet the prescribed standards for the course. (NAC 645.4434) Section 10 of this regulation clarifies that the audit must be conducted by the Division and authorizes withdrawal of approval based on student evaluations or an investigation by the Division.**

**Existing regulations provide that the Division shall, on behalf of the Commission, reapprove an approved course if no changes in the course have occurred since the course was last approved or reapproved. (NAC 645.4436) Section 11 of this regulation revises this provision to provide that the Division shall reapprove such a course if no material changes have occurred since the course was last approved or reapproved. Section 11 also provides that, if the course is designated as a law and legislation update, the Division shall reapprove the course only once.**

**Existing regulations establish certain conditions which must be satisfied by a student to receive a certification of completion for an approved course. (NAC 645.4438) Section 12 of this regulation requires the student to satisfy those conditions to have his or her name included on a roster of attendees which the sponsor of the course submits to the Division.**

**Existing law authorizes the Commission to establish a postlicensing curriculum of continuing education that must be completed by a licensee within 1 year after receiving an initial license from the Division. (NRS 645.575) Section 13 of this regulation amends the conditions under which the Commission will grant credit for a course for postlicensing education. Section**

13 also requires the sponsor of a course to provide a certificate of completion, instead of a certified copy of the record, to a licensee upon his or her successful completion of the course.

Section 16 of this regulation prohibits a person who is approved to teach a course from taking the course for credit to meet the requirements for continuing education.

Section 17 of this regulation revises provisions establishing the amounts of certain administrative fines.

Existing regulations require certain real estate brokers to provide to the Division an annual accounting which reconciles trust accounts maintained by those brokers. (NAC 645.806) Section 18 of this regulation revises the circumstances under which such an accounting must be provided, requires the submission of a declaration form by brokers who are not required to provide an annual accounting and provides for an administrative fine for failure to comply with these provisions.

Section 1. NAC 645.141 is hereby amended to read as follows:

645.141 1. The Division will require a verified statement from an employing broker *or a real estate broker-salesperson who is acting as manager of a principal or branch office pursuant to NAC 645.178* indicating extended experience of any licensee associated with the ~~employing~~ broker *or broker-salesperson* in order to determine the extent of experience the licensee has gained while associated with the broker ~~H~~ *or broker-salesperson*.

2. This information must be reported on a form provided by the Division which must request the following information:

- (a) The period of association with the broker ~~H~~ *or broker-salesperson*.
- (b) The average number of hours worked per week for , *or under the supervision of,* the broker ~~H~~ *or broker-salesperson*.
- (c) Any other information concerning the activities of the licensee which should be considered as contributing towards the licensee's experience while associated with the broker ~~H~~ *or broker-salesperson*.

Sec. 2. NAC 645.180 is hereby amended to read as follows:

645.180 1. A real estate broker who is licensed in another state and wishes to work in cooperation with a Nevada real estate broker must apply to do so on a form provided by the Division. The application must be accompanied by:

- (a) A copy of his or her current license issued in the other state;
- (b) A history of his or her employment for the past 10 years;
- (c) Information identifying him or her and the Nevada broker with whom the applicant wishes to cooperate;
- (d) *Information identifying the client whom the applicant will be representing;*
- (e) *Information identifying the real property which will be the subject of the transaction conducted under the cooperative certificate;*
- (f) A history of any disciplinary, criminal or other legal proceeding involving the real estate salesperson or broker-salesperson who will be working for the applicant under the cooperative certificate;
- ~~(e)~~ (g) A list of other cooperative agreements currently in effect with the Nevada broker;
- ~~(f)~~ (h) A photograph of the applicant;
- ~~(g)~~ (i) A copy of the license of the real estate salesperson or broker-salesperson who will be working for the applicant; and
- ~~(h)~~ (j) A statement of consent by the Nevada broker to the cooperative agreement.

2. The Nevada broker and out-of-state broker must verify the truth of the contents of the application.

3. The application must be completed personally by the out-of-state broker, and no licensed Nevada broker or employee of the Division may assist in the preparation of any part of the application.

4. The required fee must be paid at the time of filing. If the Administrator does not issue the certificate as applied for, the fee will not be refunded.

5. The applicant must furnish proof satisfactory to the Administrator that ~~the~~ :

(a) *The applicant has a current active real estate broker's license or certificate issued by ~~the~~ another state or territory of the United States or the District of Columbia;*

(b) *The jurisdiction which issued the license or certificate is the jurisdiction in which his or her principal place of business is located ~~H~~ ; and*

(c) *The applicant is in good standing with the authority which issued the license or certificate.*

6. A person who resides in this State and holds a real estate license issued by another state is not eligible to hold a cooperative certificate or act on behalf of a holder of a certificate.

7. The Administrator may require proof of the applicant's moral character. In determining that character, the Administrator may consider:

(a) The results of the Division's investigation of matters stated in the application and other matters that have come to the attention of the Division as a result of the investigation;

(b) Any history of arrest and conviction of the applicant;

(c) The nature and history of the business of the applicant; and

(d) Any past failure of the applicant to comply with:

(1) Any requirement of chapter 113, 116, 119, 119A, 645, 645A, 645C or 645D of NRS or any other specific statute that is applicable to real estate transactions; ~~or~~

(2) Any similar statutory or regulatory requirement of another jurisdiction that is applicable to real estate transactions ~~H~~ ; or

***(3) Any order imposing penalties that was issued by the licensing authority of another jurisdiction and was in effect at the time the applicant applied for the cooperative certificate.***

Sec. 3. NAC 645.185 is hereby amended to read as follows:

645.185 1. A certificate authorizing an out-of-state broker to cooperate with a Nevada broker is valid for ***the earlier of*** 12 months after the date of issuance ~~+~~ ***or the completion or termination of the single transaction identified in the application for the certificate and expires automatically when the transaction has been completed or has been terminated.*** The fee paid for the issuance covers ***only*** that period ~~+~~ ***or transaction, as applicable.*** The certificate is not transferable.

2. ~~+~~ ***A Nevada broker working with an*** out-of-state broker holding such a certificate shall immediately report any change in his or her ***license status or address or the license status or address of the out-of-state broker*** to the ~~+~~ ***Administrator.*** ***Division. Any violation of this subsection subjects the certificate to revocation.***

3. If, at any time during which a cooperative certificate is in effect, the out-of-state broker or the Nevada broker wishes to terminate the relationship, he or she must give written notice of the termination to the Division and the broker with whom he or she has been cooperating and the out-of-state broker shall immediately surrender his or her certificate to the Division.

4. If the license of the out-of-state broker expires or is inactivated, suspended, revoked or cancelled, the out-of-state broker shall immediately give written notice to the Division of each Nevada broker with whom he or she is cooperating and surrender his or her cooperative certificate to the Division.

5. The Administrator may not issue a cooperative certificate to an out-of-state association, partnership or corporation which is licensed as a broker. Only a natural person who is a broker may be issued such a certificate.

6. When acting under a cooperative certificate, an out-of-state broker shall work through the cooperating Nevada broker or a licensee associated with a Nevada broker. The Nevada broker is in charge of the transaction from beginning to end.

7. Any money received in a cooperative transaction may be handled only by the cooperating Nevada broker in accordance with NRS 645.310.

8. Each out-of-state broker, while cooperating with a Nevada broker, is governed by the provisions of this chapter and chapter 645 of NRS. Any violation of such a provision by the out-of-state broker subjects his or her cooperative certificate and the Nevada broker's license to fine or suspension, or both, or revocation. By accepting a cooperative certificate, the out-of-state broker shall be deemed to have appointed the Nevada broker as his or her agent for service of all notices and process in any proceeding initiated by the Division pursuant to chapter 645 of NRS ~~+~~ *related to the transaction for which the cooperative certificate was issued.*

9. A cooperating out-of-state broker may authorize only one broker-salesperson or one salesperson employed by him or her to act in his or her behalf. The authorization must be on a form supplied by the Division, and a copy must be sent to the Division before the authorized representative of the out-of-state broker may conduct any transaction. The authorized representative shall carry the completed form with him or her whenever the authorized representative is in Nevada for the purpose of conducting his or her real estate business. ~~The Division shall establish the time during which the authorization is valid. Such an authorization is renewable.~~

10. An out-of-state broker may cooperate with more than one Nevada broker and a Nevada broker may cooperate with more than one out-of-state broker. Each arrangement is considered a separate agreement for which the appropriate form must be completed and submitted, the appropriate fee paid and a separate cooperative certificate obtained.

11. An out-of-state broker may not use a cooperating broker's certificate as authority to sell or attempt to sell real estate in Nevada ~~{to a resident of Nevada.}~~ *on behalf of the owner of that real estate.* Such a certificate may be used only for the purpose of allowing the out-of-state broker or salesperson to ~~{offer real estate in Nevada for sale to}~~ *represent* a person other than a resident of Nevada ~~{}~~ *in the purchase of real estate in Nevada.*

Sec. 4. NAC 645.313 is hereby amended to read as follows:

645.313 The Division shall not renew the license of an active broker, broker-salesperson or salesperson unless ~~{he or she submits to}~~ the Division *has received* proof of compliance with the requirements for continuing education set forth in NRS 645.575 and the regulations adopted pursuant thereto.

Sec. 5. NAC 645.400 is hereby amended to read as follows:

645.400 For the purposes of NAC 645.400 to 645.467, inclusive, "school" includes:

1. Any university, school or community college which is a part of the Nevada System of Higher Education, or any other university or college bearing the same or an equivalent accreditation.

2. Any professional school or college licensed by the Nevada Commission on Postsecondary Education.

~~{3. Any out of state professional school or college licensed or accredited by a real estate commission, a department of education or an equivalent agency of any other state.}~~

Sec. 6. NAC 645.403 is hereby amended to read as follows:

645.403 A school that wishes to offer ~~courses~~ ***a course*** to meet the educational requirements for ~~licensure~~ ***original licensing*** under chapter 645 of NRS must apply to the Commission annually for approval on a form prescribed by the Division and pay the appropriate fees. The application must include, without limitation:

1. The name and address of the school;
2. The type of school and a description of its facilities;
3. Information concerning the ownership of the school, including the business organization and the names and addresses of all directors, principals, officers and others having interests as owners;
4. A list of the instructors ~~and~~, ***including, without limitation, any guest lecturers;***
5. A list of the courses to be offered and ~~and~~ ***the title, objectives and*** topical syllabus for each ~~and~~ ***course;***
6. ***A proposed schedule of each course for 1 year that includes, without limitation, the dates, times and locations of each class;***
7. ***An explanation for how each course meets the educational requirements for original licensing;***
8. The allotment of time for each subject;
- ~~7. A proposed schedule of courses for 1 year;~~
- ~~8. If a course is a distance education course, any information required by the Commission to determine whether the course satisfies the requirements of NAC 645.443;~~
10. The titles, authors, ~~and~~ publishers, ***dates of publication and editions*** of all required textbooks;

~~19.~~ **11.** *A copy of any manual, handout or other course material to be used by the instructor or students;*

**12.** A copy of each examination to be used and the correct answer for each question;

~~10.~~ **13.** A statement of:

(a) The purpose of the school;

(b) The fees to be charged;

(c) The days, times and locations of classes;

(d) The number of quizzes and examinations;

(e) The grading systems, including the methods of testing and standards of grading;

(f) The requirements for attendance; and

(g) The location of the students' records;

~~11.~~ **14.** A statement as to whether the school or any instructor employed by the school has been disciplined by any governmental agency in this or any other state; and

~~12.~~ **15.** A statement *of the requirement* that to pass a course, a student must earn at least 75 percent of the points possible for the entire course.

**Sec. 7.** NAC 645.404 is hereby amended to read as follows:

**645.404** 1. If a school has applied for and received the Commission's approval to offer courses to meet requirements for licensure under chapter 645 of NRS, the school shall, as a condition of the approval:

(a) Maintain a record of each student's attendance and certification in any of those courses for 7 years after the student's enrollment and shall have such records open to inspection by the Division, upon its request, during the school's business hours.

(b) Upon a transferring student's request, furnish the school to which the student is transferring a copy of his or her attendance record and certification for each of those courses which he or she has completed.

(c) Upon a student's request, furnish the Division a transcript of the record of his or her grades and attendance.

2. A school that does not meet the definition of a "school" set forth in ~~either~~ subsection 1 ~~or 3~~ of NAC 645.400 must provide evidence to the Division that the school is licensed to operate by the Commission on Postsecondary Education.

Sec. 8. NAC 645.437 is hereby amended to read as follows:

645.437 1. ~~A~~ *Except as otherwise provided in subsection 3, a course of instruction in broker management that is designed to fulfill the educational requirements for issuance of an original license which are described in paragraph (d) of subsection 2 of NRS 645.343 must be approved by the Commission.*

2. To be approved by the Commission, a course in broker management must include, without limitation:

(a) Six hours of instruction relating to office policy and procedure, risk management, errors and omissions, controlled business arrangements, compensation, employee-employer relationships and the status of independent contractors;

(b) Three hours of instruction relating to creating business plans;

(c) Three hours of instruction on forms used by real estate brokerages for real estate transactions;

(d) Six hours of instruction that provides an overview of programs for financing real estate transactions, including, without limitation, terminology relating to such programs, the cost of transactions, customary transaction closing costs, and transaction cost and net sheets;

(e) Six hours of instruction in state and local laws;

(f) Six hours of instruction on federal laws governing real estate transactions;

(g) Six hours of instruction on professional relationships between agents and their clients;

(h) Three hours of instruction on valuation of real estate and general principles of economics;

and

(i) Six hours of instruction on emerging trends and practices.

***3. The Commission will accept, without prior approval, a course of instruction in broker management that is offered by any university, school or community college of the Nevada System of Higher Education, or any other university or college bearing the same or equivalent accreditation, if the course includes, at a minimum, the hours and subjects of instruction set forth in paragraphs (a) to (i), inclusive, of subsection 2.***

Sec. 9. NAC 645.440 is hereby amended to read as follows:

645.440 1. Except as otherwise provided in subsection 2, before any school offers or conducts a course of instruction designed to fulfill the educational requirements for issuance of an original license under chapter 645 of NRS, the school must be approved by the Commission.

2. Unless the course is a course in broker management, the Commission ~~may~~ **will** accept such a course from : ~~any of the following schools without prior approval of the school:~~

(a) Any university, school or community college of the Nevada System of Higher Education, or other university or college bearing the same or equivalent accreditation.

(b) ~~Any other school offering a course in real estate, business or economics if the course is:~~

~~(1) Approved by any real estate commission or division in any state of the United States or province of Canada; or~~

~~(2) In the judgment of the Commission, equivalent in quality to the courses of colleges or universities accredited by any regional accrediting agency recognized by the United States Department of Education.~~

~~(c) The {American Institute of Real Estate Appraisers, the} American Society of Appraisers, the Appraisal Institute ~~{}~~ or the International Association of Assessing Officers ~~{or the Society of Real Estate Appraisers}~~ for courses in real estate appraisal consisting of not less than 45 hours of instruction. Forty-five hours of instruction shall be deemed to be the equivalent of 3 semester credits in appraisal.~~

Sec. 10. NAC 645.4434 is hereby amended to read as follows:

645.4434 1. If the Administrator determines, whether pursuant to *student evaluations, to an audit or investigation conducted by the Division*, or otherwise, that an approved course does not meet the standards for such a course set forth in this chapter, the Administrator shall notify the sponsor of the course of his or her intent to withdraw approval of the course. The notice must include the specific reasons upon which the Administrator is basing the decision to withdraw approval of the course. Not later than 30 days after the date on which he or she receives the notice, the sponsor may provide a written response to the Administrator that clearly sets forth the reasons why approval of the course should not be withdrawn and outlining any corrective measures that the sponsor will undertake. After the 30-day period has elapsed, the Administrator shall review the notice and any response submitted by the sponsor and:

- (a) Withdraw approval of the course;
- (b) Allow the course to remain approved if certain specific enumerated conditions are met; or

(c) Allow the continued approval of the course.

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

2. If the Administrator withdraws approval of a course, the Division shall give credit to a student for completing the course if the student began the course before the sponsor received written notice of the withdrawal of approval of the course.

3. The sponsor may appeal the decision of the Administrator to withdraw approval of a course by filing an appeal with the Commission not later than 30 days after the date on which the withdrawal of the approval of the course becomes effective.

4. If the sponsor files a timely appeal, the Commission will, as soon as practicable, hold a hearing concerning the withdrawal of approval of the course at a regularly scheduled meeting and will:

(a) Affirm the decision of the Administrator 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 Administrator to withdraw approval of the course.

Sec. 11. NAC 645.4436 is hereby amended to read as follows:

645.4436 ~~{The}~~ *Except as otherwise provided in this section, the* Division shall ~~on behalf of the Commission,}~~ reapprove an approved course if no *material* changes in the course have occurred since the course was last approved or reapproved. *If the course is designated as*

*presenting an update on law and legislation, the Division shall reapprove the course only once.*

Sec. 12. NAC 645.4438 is hereby amended to read as follows:

645.4438 1. To receive a certificate of completion for an approved course *and have his or her name included on the roster of attendees which the sponsor of the course submits to the Division pursuant to paragraph (b) of subsection 4 of NAC 645.455*, a student must:

(a) Direct his or her attention to the instruction being provided and refrain from engaging in activities unrelated to the instruction; and

(b) Refrain from engaging in activities which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class, including, without limitation, the use of ~~voice pagers, beepers and telephones.~~ *cellular telephones, laptop computers, tablet computers or other electronic devices.*

2. An instructor ~~shall~~:

(a) *Shall* deny the award of a certificate of completion to a student who fails to satisfy the conditions set forth in subsection 1 ~~H~~; and

(b) *Shall not include the name of the student on the roster of attendees which the sponsor of the course submits to the Division pursuant to paragraph (b) of subsection 4 of NAC 645.455.*

3. If an instructor denies the award of a certificate of completion to a student, the student may, within 30 days after that denial, file a written request with the Administrator to review the matter. If the written request contains allegations which, if true, would qualify the applicant to receive a certificate of completion ~~H~~ *and credit for completing the course*, the Administrator

shall set the matter for an informal hearing before him or her to be conducted as soon as practicable.

**Sec. 13.** NAC 645.4444 is hereby amended to read as follows:

**645.4444** 1. An application for the approval of a course for postlicensing education must be submitted to the Division on a form provided by the Division for review and presentation to the Commission.

2. The Commission will not grant retroactive approval for a course in postlicensing education.

3. The Commission will grant credit for a course for postlicensing education ~~only~~ if the *course meets the requirements set forth in subsection 4 of NAC 645.4442 and the sponsor of the course:*

(a) Certifies the attendance of the licensees who take the course for credit.

(b) Maintains for at least 4 years a record of attendance which contains the following information with respect to each licensee who has taken the course for credit:

(1) The name of the licensee in attendance and the number of his or her license;

(2) The title and number of the course;

(3) The hours of instruction attended and the dates of attendance by the licensee; and

(4) A statement that the licensee has successfully completed the course.

(c) Assures the Commission that an approved instructor will preside throughout the course.

(d) Requires each licensee who takes the course to:

(1) Take a closed-book final examination with a proctor present at a location designated by the sponsor in its application for approval filed with the Division and to receive a score of at least 75 percent to pass the course;

(2) Prove his or her identity before the licensee is allowed to take any examination; and

(3) Complete the entire course to receive credit for taking the course.

(e) Gives credit for only the number of hours for which the course has been approved by the

~~{Division}~~ *Commission* to a licensee who completes the course.

(f) Publishes a policy for retaking an examination which a licensee has failed.

4. If a course for postlicensing education has been approved, the sponsor of the course shall provide a ~~{certified copy of the record}~~ *certificate* of completion to the licensee upon his or her completion of the course. ~~{The Division shall accept the certificate as proof of completion of the~~

~~course by the licensee.}~~ The certificate ~~{of a sponsor}~~ must contain:

(a) The name of the sponsor;

(b) The name of the licensee and his or her license number;

(c) The title of the course and the number of hours for which the course has been approved;

(d) The dates of instruction;

(e) The number ~~{of the sponsor}~~ assigned *to the course* by the Division and a statement that the course was approved by the Commission;

(f) The signature of the person who is authorized to sign for the sponsor; and

(g) A statement indicating that the licensee fulfilled the requirements to pass the course.

Sec. 14. NAC 645.450 is hereby amended to read as follows:

645.450 1. A course for continuing education must contain:

(a) Current information on real estate which will improve the professional knowledge of the licensee *with regard to the areas described in subsection 2* and enable him or her to give better service to the public.

(b) Information that relates to ~~{pertinent}~~ Nevada laws and regulations ~~{}~~ *relating to real estate transactions in this State.*

2. The ~~{Commission considers courses in the}~~ following areas ~~{to be}~~ *are* acceptable for *courses in* continuing education:

(a) Ethics of selling real estate;

(b) Legislative issues which concern the practice of real estate or licensees, including ~~{pending and}~~, *without limitation*, recent legislation ~~{}~~ *and revisions to this chapter;*

(c) The administration of real estate law and regulations, including licensing and enforcement;

(d) Real estate financing, including mortgages and other *financing* techniques;

(e) The measurement and evaluation of the market for real estate, including evaluations of sites, market data and studies of feasibility;

(f) The administration of real estate brokerage, including the management of the office, trust accounts and employees' contracts;

(g) Real estate mathematics;

(h) The management of real property, including *residential and commercial* leasing agreements, procedures for accounting and contracts for management;

(i) The exchange of real property;

(j) Planning and zoning for land use;

(k) Real estate securities and syndications;

(l) Accounting and taxation as applied to real property;

(m) The development of land ~~{}~~, *including, without limitation, issues relating to the development or redevelopment of farms and ranches;*

- (n) Agency and subjects related to agency;
- (o) The use of calculators and other technologies as applied to the practice of real estate;
- (p) The preparation of real estate contracts; ~~and~~
- (q) Personal development courses ~~+~~, *including, without limitation, cross-cultural*

*communications;*

*(r) International real estate transactions;*

*(s) Antitrust law;*

*(t) Issues relating to consumer protection;*

*(u) Disclosures required during the sale or lease of real property, including, without limitation, information required pursuant to NRS 116.4103, 116.4109 and 116B.760;*

*(v) Commercial real estate; and*

*(w) Environmental issues, including, without limitation, issues relating to energy and water conservation and environmental responsibility.*

3. ~~If the sponsor agrees to comply with the provisions of subsections 3 and 4 of NAC 645.455, NAC 645.457 and 645.463 and subsection 1 of NAC 645.4432, the Administrator may accept the following courses as meeting standards for continuing education without application or specific approval:~~

~~(a) Any course in real estate or a directly related subject if the course has been previously approved by the Commission.~~

~~(b) Any course in real estate or a directly related subject if the course is offered by an accredited university or community college for college credit.~~

~~4.]~~ The ~~Commission~~ *Division* may, upon application ~~+~~ *and on behalf of the Commission*, approve a course conducted by any other school, professional society or

organization if the ~~{Commission}~~ *Division* finds that the course meets the standards *established by the Commission* for continuing education.

~~{5-}~~ 4. The following kinds of courses and activities do not meet the standards for continuing education:

(a) A course *that is* designed to prepare students for examination ~~{H}~~, *commonly known as a "cram course."*

(b) A course *that is* designed to develop or improve clerical, office or business skills that are not related to the activities described in NRS 645.030, 645.035 and 645.040, such as typing ~~{H}~~ *or keyboarding*, shorthand, the operation of business machines, the use of computers, the use of computer software, speed-reading, the improvement of memory, and writing letters and reports.

(c) A meeting for the promotion of sales, a program of office training, or other activity which is held as part of the general business of the licensee.

(d) A course for the orientation of licensees, such as a course offered for that purpose through local real estate boards.

(e) A course for the development of instructors.

~~{6-}~~ 5. The *Division, on behalf of the Commission*, will not approve more than:

(a) Seven full hours of credit per day of instruction in a *classroom* course for continuing education if a final examination is not given; or

(b) Eight full hours of credit per day of instruction in a *classroom* course for continuing education if a final examination is given.

Sec. 15. NAC 645.455 is hereby amended to read as follows:

645.455 1. An application for the approval of a course for continuing education must be submitted to the Division on a form provided by the Division . ~~{for review and presentation to the Commission.}~~

2. The *Division, on behalf of the Commission* , may grant retroactive approval for a course for continuing education.

3. The *Division, on behalf of the Commission* , will grant credit for a course for continuing education only if:

(a) The course consists of at least 3 hours of distance education or *1 hour of* instruction in a classroom.

(b) For a course of instruction in a classroom, the sponsor of the course:

(1) Certifies the attendance of licensees who take the course for credit.

(2) Maintains for at least 4 years a record of attendance which contains the following information with respect to each licensee who has taken the course for credit:

(I) The name of the licensee in attendance and the number of his or her license.

(II) The title and number of the course.

(III) The hours of instruction attended and dates of attendance by the licensee.

(IV) A statement that the licensee has successfully completed the course, if applicable.

(3) Assures the ~~{Commission}~~ *Division* that an approved instructor will preside throughout the course.

(c) For a course of distance education, the sponsor of the course:

(1) Requires each student to:

(I) Take a closed-book final examination with a proctor present at a location designated by the sponsor in its application for approval filed with the Division and receive a score of at least 75 percent to pass the course;

(II) Prove his or her identity before the student is allowed to take any examination;

(III) Complete an entire course to receive credit for taking the course; and

(IV) Complete each course within an established minimum and maximum time.

(2) Gives credit for only the number of hours for which the course has been approved by the Division to a licensee who has completed the course.

(3) Publishes a policy for retaking an examination which a licensee failed.

(4) Maintains for at least 4 years a record of completion of the course which contains the following information with respect to each licensee who has taken the course for credit:

(I) The name of the licensee who completes the course and the number of his or her license.

(II) The title and number of the course.

(III) A statement that the licensee has successfully completed the course which includes, without limitation, the date that the course was completed and the number of hours completed.

4. If a course is approved, the sponsor shall **provide** :

**(a) Provide a ~~certified copy of the record of attendance or record~~ certificate of completion to the licensee upon his or her completion of the course. ~~The Division shall accept the certificate as proof of the attendance of the licensee or completion of the course by the licensee for the purpose of renewal or reinstatement of his or her license. 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)~~ (1) Name of the sponsor;

~~(b)~~ (2) Name of the licensee and his or her license number;

~~(c)~~ (3) Number of hours of credit for continuing education for which the course is

approved;

~~(d)~~ (4) Dates of instruction for a course of instruction in a classroom;

~~(e)~~ (5) Date of completion of the course for a course of distance education;

~~(f)~~ (6) Title of the course or seminar;

~~(g)~~ (7) Number of the ~~sponsor~~ course assigned by the Division and a statement that the course was approved by the *Division on behalf of the* Commission;

~~(h)~~ (8) Signature of the person authorized to sign for the sponsor;

~~(i) Grade received by the licensee or a~~

(9) A statement of whether the licensee ~~passed~~ *successfully completed* the ~~class~~ course if an examination was given; and

~~(j)~~ (10) Manner in which instruction for the course was delivered.

*(b) Within 3 business days after the completion of an approved course of continuing education, electronically submit to the Division, in a format provided by the Division, a roster which includes the name of each licensee or holder of a permit who successfully completed the course.*

*5. If the Division, on behalf of the Commission, denies an application for approval of a course of continuing education, the applicant may appeal the decision of the Division by filing*

*an appeal with the Commission not later than 30 days after the date on which the applicant received notification of the denial of the application for approval of the course.*

*6. If an applicant files a timely appeal pursuant to subsection 5, the Commission will, as soon as practicable, hold a hearing concerning the denial of the application for approval of the course of continuing education at a regularly scheduled meeting of the Commission and will:*

*(a) Affirm the decision of the Division to deny the application for approval of the course;*

*or*

*(b) Reverse the decision of the Division to deny the application for approval of the course.*

**Sec. 16.** NAC 645.463 is hereby amended to read as follows:

645.463 1. A course may not be taken for credit to meet the requirements for continuing education more than once during ~~any two consecutive periods for renewal of a license.~~ *a single licensing period.*

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

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

4. The sponsor shall determine whether a final examination is required for the completion of a course.

**Sec. 17.** NAC 645.695 is hereby amended to read as follows:

645.695 1. The Administrator may require a licensee to pay an administrative fine in the amount set forth in this subsection for each violation of the following provisions:

	For each Offense
NRS 645.252.....	\$500
Subsection 4, 5 or 6 of NRS 645.310.....	1,000
NRS 645.530.....	100 per license
NRS 645.550.....	500
NRS 645.560.....	500
Subsection 1 of NRS 645.570.....	250
Subsection 2 of NRS 645.570.....	500
Subsection 1 of NRS 645.580.....	250
Paragraph (a), (b), (c), (e), (f), (i), (j), (k) or (l) of subsection 1 of NRS 645.630.....	500
Paragraph (g) of subsection 1 of NRS 645.630.....	1,000
Paragraph (c), (e), (g), (h), (j), (k) or (l) of subsection 1 of NRS 645.633.....	500
Paragraph (a) or (f) of subsection 1 of NRS 645.633.....	250
Paragraph (i) of subsection 1 of NRS 645.633.....	1,000
Subsection 1, 2, 3, 4, 5 or 6 of NRS 645.635.....	500
Subsection 7 or 8 of NRS 645.635.....	1,000
Subsection 3 of NRS 645.660.....	1,000
NAC 645.4442.....	<del>1,000</del> 250

For each  
Offense

NAC 645.448 .....	<del>100</del> 250
<i>NAC 645.455</i> .....	<i>1,000</i>
NAC 645.610 .....	500
NAC 645.620 .....	500
NAC 645.627 .....	500
NAC 645.632 .....	500
NAC 645.637 .....	500
NAC 645.640 .....	500
NAC 645.645 .....	500
NAC 645.650 .....	1,000
NAC 645.655 .....	1,000
<i>Subsection 2 of NAC 645.806</i> .....	<i>1,000</i>
<i>Subsection 3 of NAC 645.806</i> .....	<i>250</i>
NAC 645.855 .....	2,000

2. In addition to or in lieu of imposing an administrative fine pursuant to subsection 1, the Administrator may:

(a) Recommend to the Commission that the license of the licensee and any permit of the licensee be suspended or revoked;

(b) Require a licensee to complete continuing education; or

(c) Take any combination of the actions set forth in paragraphs (a) and (b).

Sec. 18. NAC 645.806 is hereby amended to read as follows:

645.806 1. ~~{On or before the date of expiration of his or her license as a}~~ A real estate broker ~~{, a broker}~~ who ~~{engages in property management}~~ receives money, including, without limitation, rent, a security deposit, a down payment, an advance fee or earnest money deposit, or ~~{who associates with a}~~ whose agent or property manager ~~{who engages in property management}~~ receives such money, shall provide to the Division, on a form provided by the Division, an ~~{annual}~~ accounting as required by subsection 5 of NRS 645.310 which shows ~~{an annual}~~ a reconciliation of each trust account ~~{related to property management}~~ that he or she maintains.

2. The reconciliation required pursuant to subsection 1 must *be submitted to the Division annually by the expiration date of the license of the real estate broker. The reconciliation must include the ~~{30 days}~~ calendar month immediately preceding the calendar month of the expiration date of his or her license as a real estate broker.*

3. *If a real estate broker is not required to provide a reconciliation to the Division pursuant to subsection 1, the broker shall provide to the Division, on a form prescribed by the Division, a declaration to inform the Division that the broker is not required to provide a reconciliation of trust accounts. The declaration form must be submitted to the Division annually by the expiration date of the license of the broker.*

4. A broker who engages in property management or who associates with a property manager who engages in property management shall maintain complete accounting records of each trust account related to property management that he or she maintains for at least 5 years after the last activity by the broker which involved the trust account. If the records are

maintained by computer, the broker shall maintain an additional copy of the records on computer disc for at least 5 years after the last activity by the broker which involved the trust account.

*5. A broker who violates the provisions of subsection 2 or 3 is subject to an administrative fine pursuant to subsection 1 of NAC 645.695.*

Sec. 19. 1. The Real Estate Commission will not apply the amendatory provisions of this regulation to prevent a licensee from receiving credit for a course which the licensee completed before the effective date of this regulation.

2. As used in this section, "licensee" has the meaning ascribed to it in NAC 645.043.