

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

LCB FILE No. R122-12

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

AUTHORITY: NRS 645D.120 & NRS 645D.125

CHAPTER 645D - INSPECTORS OF STRUCTURES AND ENERGY AUDITORS

“Assessment” defined. “Assessment” means to evaluate, analyze and perform a diagnostic overview and health and safety test of the energy features of an entire home by a licensed energy auditor.

“Energy assessment” defined. “Energy Assessment” means an evaluation of one or more of the appliances or systems listed in NRS 645D.300.1.f and that satisfies all the relevant requirements of NRS 645D.300 Sections 2, 3, 4 performed by a licensed energy auditor.

“Evaluation” defined. “Evaluation” means to conduct an Energy Audit, Energy Assessment, or a Limited Energy Audit of a home, as a single family residential structure, and provide a report to the home owner specific to NRS 645D.300. It does not include an assessment of multi-family dwellings or commercial structures.

“Licensed energy auditor” defined. “Licensed Energy Auditor” means an energy auditor to whom a license has been issued pursuant to chapter 645D of NRS.

“Limited energy audit” defined. “Limited Energy Audit” means an evaluation of a home which includes less than the entire home, but includes the provisions of a least one of the services specified in NRS 645D.300.1 (a) to (e), inclusive, (g), or (h) and that satisfies all the relevant requirements of NRS 645D.300 Sections 2, 3, and 4 performed by a licensed energy auditor.

“Certification or Accreditation Program” defined. Certification or accreditation program means a nationally recognized exam-based professional certification or accreditation program in the field of energy evaluation which has been approved by the Administrator.

“Training Course Provider” defined. “Training Course Provider” means a course provider who has been approved by the Administrator which offers a planned schedule of at least 40 hours of instruction and hands-on field exercise in the field of energy evaluation in preparation for certification or accreditation.

Inspections by Division.

1. *The Division may use a form of its design to conduct any inspection and require the certified home inspector, licensed energy auditor, or office manager in charge of the office being inspected to sign such a form.*
2. *An inspection must include, but need not be limited to:*
 - (a) *The address of the office;*
 - (b) *The indexing or numbering system used in filing records;*
 - (c) *Work file for inspections and audits performed;*
 - (d) *Advertising; and*
 - (e) *The availability of current statutes and regulations at the place of business.*

Confidentiality of records of Division. The Division will, unless otherwise ordered by a court, keep confidential:

1. *The criminal or financial records of a certified home inspector, a licensed energy auditor, or an applicant for a certificate or license; and*
2. *The social security number of a certified home inspector, a licensed energy auditor, or an applicant for a certificate or license.*
3. *The photograph(s) of an applicant for certificate or license.*

Disclosure of disciplinary action or denial of application for certificate or license. The Division may post to its website any disciplinary action taken against a certificate or license holder or any denial of an application for a certificate or license.

Scope of performance: Licensed energy auditor: A licensed energy auditor may perform an:

1. *Energy audit to evaluate the energy efficiency of a home as a single family residential structure in this State; or*
2. *A limited energy audit or an energy assessment, in lieu of an energy audit, of a home as a single family residential structure in this State.*

Grounds for denial of application; appeal of denial.

1. *In addition to the qualifications for issuance and grounds for denial of a certificate pursuant to NRS 645D.200 or a license pursuant to NRS 645D.205, the Division may deny any application for a certificate or license 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 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 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 Administrator as provided in NRS 645D.210. If the Administrator reverses the original decision and determines that the petitioner qualifies for a certificate or license, the application may be accepted as of the date of its original submission and no additional fee will be charged.*

Requirements for license as a licensed energy auditor.

1. An applicant for a license as a licensed energy auditor:

(a) Must furnish proof of certification or accreditation from an organization approved by the Administrator; and

(b) Must furnish proof satisfactory to the Division that he or she has successfully passed and completed not less than 40 hours of training and practice in areas related to building science as identified in NRS 645D.205 from a training program provider which has been pre-approved by the Administrator; and

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

2. An applicant for a license may provide evidence of any other combination of education and experience that the Division may deem to be equivalent to the requirements set forth in this section.

3. An applicant who has held a license as an energy auditor issued by another state and the license was suspended or revoked must disclose the disciplinary action that was taken, and the reason for suspension or revocation along with any documentation of reinstatement of license if applicable.

Approval of training program provider required; application for approval. Before any training program provider conducts a course of instruction in preparation for an original license, the training program provider must be approved by the Division. The application for approval must be made on a form prescribed by the Division. The application must include:

1. The name and address of the training program provider;

(a) Contact name;

(b) Website;

(c) E-mail address;

(d) Telephone;

(e) Fax (if applicable);

2. The type of organization and a description of its training facilities;

3. The names of the owners of the training program provider including, if applicable, the name of the business organization that owns the training program provider and the names and addresses of all directors, principals, officers and other persons having interests as owners;

4. A list of the instructors and evidence of their qualifications;

5. A course syllabus or curriculum showing a complete and detailed sub-point outline for the course and how it specifically relates to the requirements in NRS 645D.205. The outline must total a minimum of 40 hours of instruction and show instruction time in minutes per section and subsection on the outline with the minutes/hours totaled at the end;

6. A proposed schedule for one year;

7. A copy of all required textbooks, instructor manuals/notes, course materials/handouts;
8. A copy of all quizzes and final examination and correct answer for each question;
9. A statement of the:
 - (a) Purpose of the training program provider
 - (b) Fees to be charged
 - (c) Days, times and location of classes;
 - (d) Number of quizzes and examinations;
 - (e) Grading systems, including the methods of testing and standards of grading;
 - (f) Requirements for attendance; and
 - (g) Location of the students' records;
10. Confirmation that the training program provider administers a final examination for each class that is conducted in the presence of a proctor; and
11. Proof that the curriculum includes instruction in the preparation of an evaluation;
12. A written description of:
 - (a) How attendance is verified for each student to complete the mandatory hours of training and practice;
 - (b) Any attendance or make-up session policy;
 - (c) How the training goes beyond "classroom" training and "book learning" and covers hands-on practice in mastering the skills;
 - (d) How trainees are tested and evaluated on their understanding and mastery of the material;
 - (e) Equipment that is demonstrated, taught, utilized and a brief description of how each tool or piece of equipment relates to the inspection and evaluation of components in an energy audit;
 - (f) The criteria that must be met for a trainee to receive a Certification of completion.
13. Sample of the Certificate that will be issued showing:
 - (a) Name of trainee who successfully completed the approved training and practice program;
 - (b) Name of sponsor or entity which was approved to present the material;
 - (c) Date of completion/issuance of Certificate;
 - (d) Expiration of Certificate;
 - (e) Statement which says "Approved by Real Estate Division Administrator"
 - (f) Original signature (in pen) of the instructor or other authority issuing the Certificate; and
14. Any other information that the Division finds necessary to determine the suitability of the training program provider to offer and conduct a course of instruction in preparation for an original license.

Approved training program provider: Notice of material change; annual renewal of approval.

1. Within 15 days after the occurrence of any material change in an approved training program which would affect its approval by the Division, the training program provider shall give the Division written notice of that change.
2. To qualify for annual renewal of approval by the Division, an approved training program provider must submit to the Division by June 1:
 - (a) A written certification, in a form prescribed by the Division, declaring that the training program provider meets all applicable requirements of this chapter; and
 - (b) A sworn statement, in a form prescribed by the Division, declaring that the information contained in the original application is current or, if it is not current, a list of all material changes.

3. The Division may deny renewal of approval to any training program provider that does not meet the standards required by this chapter.

4. Within 30 days after a decision is made to deny renewal of approval, the Division will send written notice of the decision and the basis for that decision by certified mail to the last known address of the training program provider .

Approved training program provider: General requirements for certification of students.

1. An approved training program provider which the Administrator has approved to give a course fulfilling the training and practice requirements for original licensing shall require each student to attend the required number of hours of instruction and pass a final examination in the approved course with a score of not less than 70 as a condition of receiving certification for the course.

2. The training program provider may certify only the number of hours for which the course has been approved by the Administrator.

3. The entire course must be completed by the applicant or licensee to satisfy the licensing requirements.

4. For the purposes of compliance with this section, 50 or more minutes of actual instruction constitutes a clock hour.

Approved training program provider: Misrepresentation in advertising; Prohibited acts. An approved provider shall not:

1. Make any misrepresentation in its advertising about any course of instruction that it offers in preparation for a certificate of completion.

2. Present a course for the purpose of selling products and must limit the announcement of products during the course to not more than 1 minute for each hour of instruction;

3. Allow a student to pass a course by taking an examination without having attended the required hours of instruction; or

4. Provide more than 8 hours of instruction per day in an approved course.

Approved training program provider: Records concerning students. (NRS 645D.120) An approved training program provider shall, as a condition of the approval:

1. Maintain a record of each student's attendance and certification in an approved course. The records must:

(a) Include, without limitation:

(1) The name of the student;

(2) The title, description and number of the approved course;

(3) The dates of attendance;

(4) The hours of instruction attended by the student;

(5) The score achieved by the student on the final examination; and

(6) A statement of whether the student passed or failed the approved course;

(b) Be maintained for 3 years after the enrollment of the student; and

(c) Remain open for inspection by the Division, upon its request, during the training program provider's business hours.

2. Upon the request of a student, furnish the Division with a transcript of the record of the grades and attendance of the student.

Approved training program provider: Qualifications of instructors; instructor with disciplinary actions; guest lecturers, presence of instructors.

1. An approved training program provider shall employ as an instructor of an approved course only a person who possesses:

(a) A good reputation for honesty, integrity and trustworthiness;

(b) The ability to exercise control over the students in the classroom; and

(c) At least one of the following qualifications, unless granted a special exemption by the Division:

(i) Five years of full-time experience working as an energy auditor; or

(ii) Three years of experience teaching as an accredited instructor by an organization which issues a certification or accreditation approved by the Administrator.

2. An instructor must demonstrate to the satisfaction of the Division the accreditation, training or work experience that qualifies him to teach an approved course.

3. An approved training program provider shall not employ, without the written approval of the Division, an instructor who has been subject to discipline by the Division or any licensing authority:

(a) Within the 5 years immediately preceding the employment; or

(b) More than twice.

4. An approved training program provider shall limit guest lecturers who are not approved as instructors by the Division to a total of 10 percent of the instructional hours of an approved course. A guest lecturer must be an expert in the subject that he teaches.

5. An approved instructor must be present in the classroom at all times during the hours of instruction of an approved course.

Approved courses: Monitoring and evaluation; restrictions on approval.

1. The Division will monitor an approved course for material change.

2. The Division will not approve to count toward the minimum hours required of training and practice in preparation for an original license any part of a course which is intended to develop or improve clerical, office or business skills, including, but not limited to, typing, shorthand, the operation of business machines, the use of computers, improvement of memory, writing letters or business courses in advertising, marketing or psychology.

Renewal of License.

1. A license must be renewed annually before the expiration of the license.

2. The Division shall renew a license if the application submits to the Division before the expiration of the license:

a. A completed application for renewal on a form prescribed by the Division;

b. The statement described in NRS 645D.195;

c. The fee required by NRS 645D.240;

d. Documentation that he holds a valid certification or accreditation from an organization approved by the Administrator; and

e. Proof of valid insurance required by NRS 645D.190.

3. The renewal of a license is effective on the date on which the renewal is issued.

4. *If the holder of a license fails to file an application for renewal of the license before it expires, the holder may not engage in activity which requires a license as an energy auditor.*
5. *The Division may refuse to renew a license if:*
 - (a) *The applicant has been convicted of, or entered a plea of guilty or nolo contendere to, forgery, embezzlement, obtaining money under false pretenses, larceny, extortion, conspiracy to defraud or possessing for the purpose of sale any controlled substance or any crime involving moral turpitude;*
 - (b) *The applicant fails to complete, sign and submit the statement required pursuant to NRS 645D.195;*
 - (c) *The Division receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional certificates and permits issued to the applicant; or*
 - (d) *The applicant has engaged in conduct which is grounds for disciplinary action pursuant to NAC 645D.700 and has been disciplined by the Division.*
6. *If the Division, after an application to renew a license in proper form has been filed, accompanied by the proper fees, refuses to renew the certificate, it shall give notice of this fact to the applicant within 15 days after the ruling, order or decision. The applicant may file a written request for a hearing pursuant to the procedures set forth in NAC 645D.730.*
7. *If the Division refuses to renew a certificate because it receives a copy of a court order issued pursuant to NRS 425.540 that provides for the suspension of all professional certificates and permits issued to the applicant, the Division shall reinstate the certificate if the Division receives a letter issued by the district attorney or other public agency pursuant to NRS 425.550 to the person whose certificate was suspended stating that the person has complied with the subpoena or warrant or has satisfied the arrearage pursuant to NRS 425.560.*

Renewal of approval of course; review and audit by Division; grounds for withdrawal of or refusal to renew approval of course

1. *The sponsor must apply for renewal on a form provided by the Division and describe on that form any changes in the course. An application for renewal must be filed at least 2 weeks before the previous approval expires. If the sponsor does not timely file the application for renewal, the sponsor must apply for an original approval.*
2. *Each approved course and instructor is subject to review and audit by the Division. If the Division conducts such a review or audit, the sponsor shall make available to the Division all records requested which are necessary to the review.*
3. *The Division shall renew the approval of a course if the information concerning the course has been updated and there is no material change in the content of the course.*
4. *Each of the following acts and conditions is a ground for the Administrator to withdraw or refuse to renew its approval of a course:*
 - (a) *The curriculum or instruction, as shown by evaluations or audits, is of poor quality.*
 - (b) *The violation of any provision of this chapter relating to continuing education.*
 - (c) *The course is not taught within the last period for which the course is approved.*

(d) The sponsor of the course has made a false statement or has presented any false information in connection with an application for the approval of the course, the renewal of such approval or the approval of the sponsor.

(e) The sponsor of the course or any official or instructor employed by the sponsor has refused or failed to comply with any provision of this chapter or chapter 645D of NRS.

(f) The sponsor of the course or any official or instructor employed by the sponsor has provided false or incorrect information in connection with any report the sponsor is required to submit to the Division.

(g) The sponsor of the course has engaged in a pattern of consistently cancelling scheduled courses.

(h) The sponsor of the course has remitted to the Division in payment for required fees a check which was dishonored by a bank.

(i) An instructor employed by the sponsor of an approved course fails to conduct approved courses in a manner that demonstrates possession of the teaching skills described in this chapter.

(j) A court of competent jurisdiction has found the sponsor of the approved course or any official or instructor employed by the sponsor to have violated, in connection with the offering of education courses, any applicable federal or state law or regulation:

(1) Prohibiting discrimination on the basis of disability;

(2) Requiring places of public accommodation to be in compliance with prescribed standards relating to accessibility; or

(3) Requiring that courses related to licensing or certification for professional or trade purposes be offered in a place and manner accessible to persons with disabilities.

(k) The sponsor of the course or any official or instructor employed by the sponsor has been disciplined by any other occupational licensing agency in this State or any other jurisdiction.

(l) The sponsor of the course or any official or instructor employed by the sponsor has collected money for an educational course but has refused or failed to provide the promised instruction.

5. A licensee who is the sponsor of an approved course is subject to disciplinary action pursuant to this chapter for any dishonest, fraudulent or improper conduct by the licensee, or an instructor of the approved course employed by the licensee, in connection with activities related to the approved course.

Conduct of energy audit, limited energy audit, or energy assessment; preparation of audit report.

1. Except as otherwise provided in this section, a licensed energy auditor shall conduct each energy audit and prepare a written report of each energy audit in accordance with NRS 645D.300.

2. A licensed energy auditor may exceed the requirements set forth in NRS 645D.300, inclusive, when conducting an energy audit.

3. A licensed energy auditor must use a calibrated blower door.

4. When testing combustion appliances, a licensed energy auditor must adhere to the standards issued by the American National Standards Institute or the American Society for Testing and Materials.

5. A licensed energy auditor must conduct thermographic inspections or infrared scanning to detect thermal defects and air leakage in building envelopes.

6. A licensed energy auditor may conduct a limited energy audit, or energy assessment that does not satisfy all the requirements of NRS 645D.300, inclusive, if:

(a) The limited energy audit or energy assessment satisfies all the relevant requirements of NRS 645D.300 Sections 2, 3, and 5; and

(b) The written report:

(1) States that a limited energy audit or energy assessment has been performed in lieu of an energy audit;

(2) Describes the purpose of the limited energy audit or energy assessment; and

(3) Clearly identifies the matters included in the limited energy audit or energy assessment.

Software Requirements

An energy auditor shall use survey and labeling software programs or rating tools for performing an energy audit which have been sponsored by the United States Department of Energy as listed on their website http://apps1.eere.energy.gov/buildings/tools_directory/.

NAC 645D.075 Advisory committee: Authority and duties of Administrator; qualifications and rights of members.

1. The Administrator may establish an advisory committee to assist him with any matter that he determines is appropriate for submission to an advisory committee.

2. The Administrator shall create and maintain a list of the persons he approves to serve on an advisory committee. A person approved to serve on an advisory committee must:

(a) Be a certificate *or license* holder on active status and in good standing with the Division;

(b) Have been actively engaged in business as a certified inspector *or licensed energy auditor* in this State for at least the 3 years immediately preceding the date of his approval; and

(c) Have been a resident of this State for not less than 5 years.

3. If the Administrator determines to establish an advisory committee, he shall appoint three persons to serve on the committee from the list of approved persons. At least one member of the advisory committee *for certified inspectors* must be a certified master inspector. The Administrator shall appoint one member of the advisory committee to serve as its chairman.

4. A member of an advisory committee serves:

(a) At the pleasure of the Administrator;

(b) Without compensation; and

(c) Is entitled to receive the per diem allowance and travel expenses provided by law for state officers and employees generally for the period during which the member was engaged in the discharge of his duties.

NAC 645D.090 Applicability of chapter.

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

(a) Performs inspections of residential or commercial property *or energy audits on homes*; and

(b) Signs a document regarding the inspection *or energy audit* in a way that designates the person as a “certified inspector” *or “licensed energy auditor.”*

2. This chapter does not apply to any person exempted from the provisions of chapter 645D of NRS pursuant to NRS 645D.100.

NAC 645D.095 Check or draft returned for lack of payment. (NRS 645D.120, 645D.703)

1. If a person submits a check or draft to the Division to obtain a certificate, *license*, approval, accreditation or other type of authorization to engage in an activity for which authorization is required pursuant to this chapter, or chapter 645D of NRS, and the check or draft is returned to the Division because the person had insufficient money or credit with the drawee to pay the check or draft or because the person stopped payment on the check or draft:
 - (a) The certificate, *license*, approval, accreditation or other type of authorization obtained by the person from the Division is automatically invalidated; or
 - (b) If the person has not obtained the certificate, *license*, approval, accreditation or other type of authorization from the Division, the Division may refuse to issue or reinstate the authorization.
2. In accordance with NRS 353C.115 and NAC 353C.400, the Division will charge a person, for each check or draft returned to the Division because the person had insufficient money or credit with the drawee to pay the check or draft or because the person stopped payment on the check or draft, a fee of \$25 or such other amount as may subsequently be required by NRS 353C.115 and NAC 353C.400.

Amend NAC 645D.150 *Application for certificate or license. A person who wishes to obtain a certificate or license must submit an application to the Division on a form prescribed by the Division.* The application must include:

1. *His fingerprint cards or verification of fingerprints taken as pursuant to NRS 645D.180;*
2. *Proof that he has satisfied the educational requirements for a certificate or training and practice requirements for a license;*
3. *Proof that he has received a passing grade as described in NAC 645D.210 on the examination for a certificate;*
4. *In accordance with NRS 645D.195, the statement prescribed by the Division of Welfare and Supportive Services of the Department of Health and Human Services pursuant to NRS 425.520;*
5. *A photograph of the applicant, measuring approximately 2 inches by 2 inches, taken within the 2 years immediately preceding the date of the application, and*
6. *Documentation* which proves that the applicant has:
 - (a) Error and omissions insurance of at least \$100,000; and
 - (b) Liability insurance of at least \$100,000; *and*
7. *The required fees.*

NAC 645D.160 Fee for application nonrefundable. (NRS 645D.120, 645D.240) The fee for an application for a certificate *or license* is nonrefundable.

- NAC 645D.165 Fee for investigation of applicant's background.** (NRS 645D.120, 645D.240)
1. The Division will charge and collect, from each person who applies for a certificate *or license*, a fee for any investigation of the person's background *when fingerprint cards, pursuant to NRS 645D.180, rather than the written verification stating that the fingerprints of the applicant were taken and directly forwarded electronically to the Central Repository are submitted with the application.*
 2. The fee will not exceed the actual cost to conduct the investigation.

NAC 645D.170 Personal completion required. (NRS 645D.120, 645D.170) Each application for a certificate as an inspector *or license as an energy auditor* must be completed personally by the applicant. Employees of the Division shall not help a person prepare his application.

NAC 645D.180 Minimum age. (NRS 645D.120) The Administrator shall not:

1. Accept an application for a certificate as an inspector *or license as an energy auditor* from a person under 17 years of age; or
2. Issue a certificate *or license* to a person under 18 years of age.

NAC 645D.244 ~~[Approved schools:]~~ Revocation of approval of instructor. (NRS 645D.120)

1. The Division may revoke its approval of a particular instructor who *has previously been approved to instruct for a school or training provider* ~~[is employed by an approved school]~~ if:
 - (a) Any licensing authority has taken disciplinary action against the instructor;
 - (b) The instructor fails to exercise control over the students in the classroom or maintain complete records of their attendance; or
 - (c) 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 will give the instructor and school written notice that it has revoked the approval of the instructor. The written notice must specify the reason for the revocation.
3. An instructor may appeal the decision of the Division to revoke his approval by making a written demand to the Division for a hearing within 20 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, a hearing officer shall conduct the hearing.

NAC 645D.2442 Approved schools *and Training Course Providers*: Requirements and conditions for approval of course; notice of material change in approved course. (NRS 645D.120)

1. An approved school *or training course provider* shall not offer or conduct a course of instruction in preparation for an original certificate *or license* unless the course is approved by the Division. An application for approval must be submitted on a form provided by the Division.
2. The approval of the Division for a course of instruction offered in preparation for an original certificate *or license* expires each year on June 30.
3. An approved school *or training course provider* must apply annually for reapproval of an approved course. The application must be submitted on a form provided by the Division and describe any changes in the approved course since its last approval. The form must be received by the Division not later than June 1.
4. An approved school *training course provider* shall notify the Division within 15 days after making any material change in an approved course.
5. The approval of any course of instruction offered in preparation for an original certificate *or license* is subject to the condition that the Division may audit and evaluate the presentation of an approved course. An approved school *or training course provider* shall admit an auditor provided by the Division.
6. Each of the following acts and conditions is a ground for the Division to withdraw its approval of a course:
 - (a) Poor quality of the curriculum or instruction, as demonstrated by an evaluation or audit.

- (b) Violation of any of the provisions of this chapter.
- (c) Failure of an instructor to exercise control over the students in the classroom or to maintain complete records of their attendance.

NAC 645D.2444 Approved courses: Monitoring and evaluation; restrictions on approval. (NRS 645D.120)

- 1. The Division will monitor and evaluate an approved course. ~~[The courses will be evaluated with the assistance of the Nevada System of Higher Education.]~~
- 2. The Division will not approve a course designed to develop or improve clerical, office or business skills that are not related to the inspection process, including, but not limited to, typing, shorthand, the operation of business machines, the use of computers, improvement of memory, writing letters or business courses in advertising, marketing or psychology, as a course of instruction in preparation for an original certificate.

NAC 645D.2448 Approved courses: Required instruction; additional instruction. (NRS 645D.120)

- 1. An approved course *to comply with the requirements for issuance of a certificate* must include instruction in:
 - (a) Current practices for the inspection of structures; and
 - (b) State and federal laws and regulations relating to inspections or inspection practices.
- 2. The Division may approve a course that includes, without limitation, instruction in one or more of the following:
 - (a) The administration of laws and regulations relating to the inspection of structures, including, without limitation, certification, enforcement and contracts;
 - (b) The evaluation of a structure and its components, including, without limitation, the evaluation of the items set forth in NAC 645D.480 to 645D.580, inclusive;
 - (c) The nature of inspections;
 - (d) The purpose and use of inspections;
 - (e) Methods of inspection; and
 - (f) Construction.

NAC 645D.2472 Approved courses: Contents of form for registration and advertising. (NRS 645D.120)

- 1. The form for registration for an approved course must set forth, in writing, the policy of the approved school *or training course provider* concerning cancellation and refunds.
- 2. Any advertising or promotional brochure for an approved course must specify that the course is approved by the Division.

NAC 645D.2474 Approved courses: Information required on materials used in course. (NRS 645D.120) An approved school *or training course provider* shall state on all materials, other than copyrighted materials, used in an approved course:

- 1. That the course is approved by the Division; and
- 2. The number of hours of credit toward satisfying the educational requirement for an original certificate *or license* for which the Division has approved the course.

NAC 645D.2478 Approved courses: Certificate of completion. (NRS 645D.120) An approved school shall provide a certificate of completion to a student who completes an approved course. The Division will accept the certificate as proof of the student's completion of the approved course. The certificate of completion must include, without limitation:

1. The name of the approved school *or training course provider*;
2. The title, description and number of the approved course;
3. The name of the student;
4. The number of hours of instruction attended by the student;
5. The date of completion of the approved course;
6. An original signature of a person authorized to sign for the approved school; and
7. The statement: "This course is approved by the Nevada Real Estate Division."

NAC 645D.300 Issuance of certificate *or License* by Division.

1. The Division will grant a certificate *or license* to each applicant who complies with all provisions of this chapter and chapter 645D of NRS governing certification as a residential inspector, general inspector, master inspector, *or licensure as a licensed energy auditor*.
2. Upon receiving the certificate *or license*, the certified inspector *or licensed energy auditor* may conduct the business of a certified residential inspector, certified general inspector, certified master inspector, *or licensed energy auditor* as applicable, in this state.

NAC 645D.310 Authority of certificate *or license* limited to person to whom issued or place of business specified. (NRS 645D.120) A certificate *or license* issued pursuant to this chapter must not give authority to do or perform any act specified in this chapter to any person other than the person to whom the certificate *or license* is issued, or from any place of business other than that specified therein.

NAC 645D.320 Form of certificate *or license*. (NRS 645D.120, 645D.230) The Division will issue a certificate *or license* to each eligible person in such form and size as is prescribed by the Division. Each certificate *or license* will, in addition to the information required pursuant to NRS 645D.230:

1. Set forth the type of certificate *or license*; and
2. Have imprinted thereon the seal of the Division.

NAC 645D.330 Display of certificate *or license*. (NRS 645D.120) Each certified inspector *or licensed energy auditor* shall display his certificate *or license* conspicuously in his place of business.

NAC 645D.335 Insurance: Failure to maintain; proof. (NRS 645D.120, 645D.190)

1. The certificate of a certified inspector *or license of a licensed energy auditor* who fails to maintain, or whose employer fails to maintain, a policy of insurance required by NRS 645D.190 expires by operation of law on the 60th day after the certified inspector *or licensed energy auditor* ceases to be covered by the policy.
2. The proof of insurance submitted by an applicant for an original certificate *or license* or applicant for renewal of a certificate *or license* pursuant to NRS 645D.190 must include the name of the applicant as it appears, or will appear, on his certificate *or license*.

NAC 645D.340 Compliance with local zoning requirements for location of certain offices. (NRS 645D.120) If a certified inspector *or licensed energy auditor* chooses to establish an office in a private home or in conjunction with another business, his business location must comply with local zoning requirements.

NAC 645D.360 Change of employer, name or status; temporary working permit. (NRS 645D.120)

1. A holder of a certificate *or license* may request a change of employer, name or status by completing and submitting the appropriate form supplied by the Division and paying the required fees.
2. If a holder of a certificate *or license* requests such a change and pays the required fee, the receipt issued by the Division constitutes a temporary working permit pending receipt of the requested certificate *or license*.

NAC 645D.370 Inactive status: Application; renewal of certificate *or license* required. (NRS 645D.120)

1. A holder of a certificate *or license* may be placed on inactive status by applying to the Division on the appropriate form. The holder of a certificate *or license* is not entitled to a refund of any part of the fees paid for the unexpired term of his certificate *or license*.
2. A holder of a certificate *or license* who is on inactive status must apply for the renewal of his certificate *or license* on or before each anniversary of his certificate *or license*.

NAC 645D.380 Inactive status: Requirements for reinstatement. (NRS 645D.120)

1. A holder of a certificate *or license* who is in good standing with the Division and who is on inactive status may apply to the Division to be reinstated to active status. The application must:
 - (a) Be on a form supplied by the Division;
 - (b) Be accompanied by the required fees;
 - (c) Be accompanied by a current, completed fingerprint card *or verification of fingerprints taken by an authorized vendor to conduct live scans pursuant to NRS 645D.180* if the holder of the certificate *or license* has been on inactive status for at least 1 year; and
 - (d) *For a certificate*, contain evidence that the requirements for continuing education have been fulfilled *or that a licensed energy auditor holds a valid certification or accreditation from an organization approved by the Administrator.*
2. A holder of a certificate *or license* who is placed on inactive status for his failure to comply with this chapter remains inactive until an application for reinstatement has been approved by the Division.

NAC 645D.400 Delivery of certificate *or license* to Division. (NRS 645D.120) If the certificate of a certified inspector or the license of a *licensed energy auditor* is cancelled, suspended or revoked, he shall deliver his certificate *or license* to the Division. No refund will be given when a certificate *or license* is cancelled, suspended or revoked.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98)

NAC 645D.410 Filing of affidavit for lost, destroyed or stolen certificate *or license* that must be surrendered. (NRS 645D.120) If a certificate *or license* must be surrendered and it is not, the holder of the certificate *or license* shall file an affidavit with the Division showing that

the certificate *or license* has been lost, destroyed or stolen. The affidavit must contain the holder's promise to surrender the certificate *or license* if it is recovered.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98)

NAC 645D.420 Cancellation of certificate *or license* for failure to report change of address.

(NRS 645D.120) If the Division determines that a certified inspector or *a licensed energy auditor* has discontinued business at the address at which he holds a certificate *or license* and this fact has not been reported to the Division, his certificate *or license* may be cancelled by the Division.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98)

NAC 645D.460 Professional conduct. (NRS 645D.120) A certified inspector or *licensed energy auditor* shall:

1. Perform his duties with the highest standard of integrity, professionalism and fidelity to the public and the client, with fairness and impartiality to all.
2. Avoid association with any person or enterprise of questionable character or any endeavor that creates an apparent conflict of interest.
3. Conduct his business in a manner that will assure his client of the inspector's *or auditor's* independence from outside influence and interest which would compromise his ability to render a fair and impartial inspection *or audit*.
4. Not disclose any information concerning the results of an inspection *or audit* without the approval of the client or his representative for whom the inspection *or audit* was performed.
5. Not accept compensation, financial or otherwise, from more than one interested party for the same service on the same property without the consent of all interested parties.
6. Not, whether directly or indirectly, accept a benefit from, or offer a benefit to, a person who is dealing with the client in connection with work for which the inspector *or auditor* is responsible. As used in this subsection, "benefit" includes, without limitation, a commission, fee, allowance, or promise or expectation of a referral for other work.
7. Not express the estimated market value of an inspected property while conducting an inspection *or audit*.
8. Not use the term or designation "state certified inspector" or "*licensed energy auditor*:" unless he is certified *or licensed in this state*.
9. Before the execution of a contract to perform an inspection *or audit*, disclose to the client any interest of the inspector or *energy auditor* in a business that may affect an interest of the client.
10. Not allow his interest in any business to affect the quality or results of an inspection *or audit*.

NAC 645D.470 Prohibited acts. A certified inspector or *energy auditor* shall not, ~~[while making an inspection or energy audit]:~~

1. Offer to perform or perform any act or service that is unlawful.
2. Offer warranties or guaranties of any kind.
3. Offer to perform or perform any job function for which he does not have a license, including, but not limited to, the services of an engineer, architect, plumber or electrician.
4. Calculate the strength, adequacy or efficiency of any system or component *unless he is licensed to make such calculations*.

5. Enter any area or perform any procedure that may damage any part of the structure being inspected or endanger any person, including, but not limited to, the certified inspector or *energy auditor*.
6. Operate any system or component that is shut down or otherwise inoperable.
7. Operate any system or component that does not respond to normal operating controls.
8. Determine the presence or absence of any suspected adverse environmental condition or hazardous substance, including, but not limited to, toxins, molds and other fungi, carcinogens, radon, noise or contaminants, unless he is licensed or certified to make such inspections and determinations.
9. Determine the effectiveness of any system installed to control or remove suspected hazardous substances *unless he is licensed to make such determinations*.
10. Predict the future condition of any system or component, including, but not limited to, the failure of a component *unless he is licensed to make such determinations*.
11. Project the operating costs of any component *unless he is licensed to make such determinations*.
12. Repair a defect identified during the inspection *or audit report*.

NAC 645D.600 Determination of unprofessional conduct or professional incompetence. (NRS 645D.120, 645D.700) In determining whether a certified inspector *or licensed energy auditor* is guilty of unprofessional conduct or professional incompetence, the Division will consider, among other things, whether the inspector or *energy auditor* has:

1. Failed to perform an inspection or *home energy audit* and prepare a complete inspection report of the inspection or *evaluation report of the entire home* in accordance with NAC 645D.450 to 645D.580, inclusive;
2. Done his utmost to protect the public against fraud, misrepresentation or unethical practices relative to his profession;
3. Made an inspection *or energy audit* and prepared an inspection report or *evaluation report* of any property outside of his field of experience or competence without the assistance of a qualified authority; or
4. Adequately documented any required disclosures of his interest in any property with which he is dealing.
5. *Been named in a written complaint on the Division form regarding his inspection report or home evaluation written report.*

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98; A by R177-01, 5-20-2002)

NAC 645D.610 Disclosures required in advertisement. (NRS 645D.120) In any advertisement through which a certified inspector *or energy auditor* offers to perform services for which a certificate *or license* is required pursuant to this chapter, he shall disclose the name under which he does business and the type of certificate *or license* he holds.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98)

NAC 645D.620 Maintenance of records; inspection and audit by Division. (NRS 645D.120)

1. A certified inspector *or licensed energy auditor* shall keep at his place of business, or other location approved by the Division, a copy of the inspection report, work file, *written evaluation report*, and any other pertinent information relating to each inspection or *energy audit* he conducts for at least 3 years after the completion of the inspection *or audit*. Only one set of files

need be maintained, but the information must be available to ~~all participating inspectors~~ *the Division and/or its inspectors.*

2. All inspections *or energy audits* conducted by a certified inspector or *licensed energy auditor* must be filed in an orderly fashion, including, but not limited to, numerically, chronologically by date or alphabetically, to permit an audit by a representative of the Division.

3. The inspection report, *energy audit report*, work file, and other pertinent information relating to an inspection or *energy audit* must be open to inspection and audit by the Division upon its request during its usual business hours, as well as other hours during which the certified inspector or *licensed energy auditor* regularly conducts his business.

4. The certified inspector *or energy auditor* shall give written notice to the Division of the exact location of his records and may not remove them until he has delivered a notice that informs the Division of the new location.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98; A by R144-06, 9-18-2007)

NAC 645D.630 Examination of office; form. (NRS 645D.120)

1. The Division may use a form of its design to conduct any office examination and require the certified inspector, *licensed energy auditor*, or his office manager to sign such a form.

2. An examination must include, without limitation:

(a) The address of the office;

(b) The system used in filing records;

(c) Advertising; and

(d) The availability of current statutes and regulations at the place of business.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98)

NAC 645D.640 Cooperation in examination of office and audits. (NRS 645D.120) A certified inspector *or licensed energy auditor* shall, upon demand, provide the Division with the documents and the permission necessary to complete fully an office examination and audit of his records.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98)

COMPLAINTS; DISCIPLINARY ACTION

NAC 645D.650 Citizen's complaint; investigation. (NRS 645D.120)

1. The Division will prepare and require a standard form or affidavit for use in making a citizen's complaint. This form may require any information the Division considers pertinent.

2. Except as otherwise provided in subsection 3, if a citizen's complaint is made, the Division will investigate any action that appears to violate a provision of chapter 645D of NRS or this chapter and need not be limited to the matter in the complaint.

3. If a citizen's complaint or a formal complaint is made against a certified inspector *or licensed energy auditor*, the Division will:

(a) Not investigate the complaint unless the complaint:

(1) Is in writing, signed and dated;

(2) Contains the mailing address and daytime telephone number of the person making the complaint; and

(3) Contains the complete address of the structure that is the subject of the complaint, *as applicable*.

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

4. A certified inspector *or licensed energy auditor* shall disclose all facts and documents pertinent to an investigation to members of the Division's staff conducting the investigation.

5. If the Division determines that sufficient evidence exists to establish a violation, it will prepare and file a formal complaint. If insufficient evidence exists, the Division may dismiss the matter without prejudice at any time.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98)

NAC 645D.660 Correction of deficiencies. (NRS 645D.120)

1. The Division may grant any certified inspector *or licensed energy auditor* not more than 10 calendar days to correct any deficiency involving advertising, the location of his business or office operation. A notice of the deficiency and a request to correct the deficiency must be mailed to the certified inspector *or licensed energy auditor*. Failure to comply with the request may be grounds for the suspension or revocation of a certificate *or license*. The notice must be sent on a form provided by the Division and set forth the deficiencies or violations, the recommended action and the date by which the deficiencies must be corrected.

2. The Division may grant an extension for a definite time to correct the deficiency whenever the correction requires additional time.

NAC 645D.730 Petition for reconsideration of action of Division. (NRS 645D.120)

1. Any person aggrieved by an action of the Division, except the revocation or suspension of a certificate *or license* issued pursuant to this chapter, may petition the Division for reconsideration of its action within 15 days after its order.

2. The petition must be in writing and state in detail the grounds on which the petitioner relies.

3. If the petitioner desires to present oral argument with his petition, oral argument must be requested in writing at the time the petition is submitted to the Administrator. If oral argument is requested, the Division will set a time for a hearing to occur not later than 20 days after receipt of the petition. The Division will give at least 15 days' notice of the hearing.

4. Not later than 15 days after receiving the petition or hearing of oral argument, the Division will render a decision in writing to the petitioner.

(Added to NAC by Real Estate Div. by R214-97, eff. 5-11-98; A by R144-06, 9-18-2007)