

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

LCB File No. R141-17

February 1, 2019

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

Section 1. Chapter 645D of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 10, inclusive, of this regulation.

Sec. 2. *“Energy assessment” has the meaning ascribed to it in NRS 645D.300.*

Sec. 3. *“License” means a license issued to an energy auditor pursuant to chapter 645D of NRS.*

Sec. 4. *“Limited energy audit” has the meaning ascribed to it in NRS 645D.300.*

Sec. 5. *1. An applicant for a license must provide proof satisfactory to the Administrator that the applicant:*

(a) Has, through an approved program, successfully completed not less than 40 hours of training and practice in the areas identified in paragraph (c) of subsection 1 of NRS 645D.205; and

(b) Holds a current certification or accreditation from a nationally recognized professional energy auditing certification or accreditation program which:

(1) Has standards of performance and conduct that include the requirement of continuing education to maintain the certification or accreditation; and

(2) Is approved by the Administrator.

2. An applicant who, in another state or territory of the United States, has been issued a license to practice as an energy auditor which was suspended or revoked shall:

(a) Disclose to the Division:

(1) The reasons for the suspension or revocation of the license; and

(2) Any disciplinary action taken as a result of such suspension or revocation; and

(b) Provide to the Division documentation of the reinstatement of the license, if applicable.

Sec. 6. “Approved program” means a program of instruction that:

1. Is offered by an approved program provider in preparation for an original license; and

2. Has been approved by the Division.

Sec. 7. “Approved program provider” means a provider that has been approved by the Division to offer and conduct an approved program.

Sec. 8. “Provider” means a business, organization or entity that offers or conducts a program of instruction offered in preparation for an original license.

Sec. 9. An approved program must include instruction in current practices for the energy audit of a structure, including, without limitation, the areas set forth in paragraph (c) of subsection 1 of NRS 645D.205.

Sec. 10. 1. A certified inspector shall inspect the attached garage, including, but not limited to, the following components:

(a) Sources of ignition

(b) Bollard posts

(c) Walls, ceilings, and doors required to be fire rated

(d) Walls, ceilings, and doors not required to be fire rated

(e) Ventilation

(f) Garage Floor

(g) Automobile garage doors

(h) Automobile garage door operators

(i) Photo electric auto-reverse function

2. A certified inspector is not required to test the effectiveness of the pressure resistance auto-reverse function.

Sec. 11. NAC 645D.010 is hereby amended to read as follows:

645D.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 645D.020 to 645D.060, inclusive, *and sections 2, 3 and 4 of this regulation* have the meanings ascribed to them in those sections.

Sec. 12. NAC 645D.060 is hereby amended to read as follows:

645D.060 Readily accessible” means that the item being inspected is accessible without the certified inspector having to:

1. Move furniture or stored items;
2. Damage paint finishes;
3. Fit into an area or opening less than 18 inches by 24 inches; ~~[or]~~
4. Use a ladder that extends to more than 12 feet tall to reach the item; *or*
- 5. Use a tool to open or access the item or component being inspected.*

Sec. 13. NAC 645D.075 is hereby amended to read as follows:

645D.075 1. The Administrator may establish an advisory committee to assist him or her with any matter that the Administrator determines is appropriate for submission to an advisory committee.

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

- (a) Be a ~~[certificate]~~ holder *of a certificate or license* on active status and in good standing

with the Division;

(b) Have been actively engaged in business as a certified inspector *or energy auditor* in this State for at least the 3 years immediately preceding the date of the person's 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 or she shall appoint three persons to serve on the committee from the list of approved persons. At least one member of the advisory committee must be a certified master inspector ~~[]~~ *or energy auditor*.

The Administrator shall appoint one member of the advisory committee to serve as its chair.

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 the member's duties.

Sec. 14. NAC 645D.090 is hereby amended to read as follows:

645D.090 1. Except as otherwise provided in subsection 2, this chapter applies to any person who:

(a) Performs ~~[inspections]~~ *an inspection* of residential or commercial property ~~[]~~ *or an energy audit, limited energy audit or energy assessment;* and

(b) Signs a document regarding the inspection, *audit or assessment* in a way that designates the person as a "certified inspector ~~[]~~" *or an "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.

Sec. 15. NAC 645D.095 is hereby amended to read as follows:

645D.095 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 ~~[H]~~ 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.

Sec. 16. NAC 645D.150 is hereby amended to read as follows:

645D.150 In addition to the information required by NRS 645D.170 ~~[H]~~ *or section 5 of this regulation*, an application for a certificate *or license* must include the following information:

1. ~~[Two]~~ *One* completed fingerprint ~~[cards]~~ *card* of the applicant;
2. One recent photograph of the applicant; and
3. A document 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.

Sec. 17. NAC 645D.160 is hereby amended to read as follows:

645D.160 The fee for an application for a certificate *or license* is nonrefundable.

Sec. 18. NAC 645D.165 is hereby amended to read as follows:

645D.165 1. The Division will charge and collect, from each person who applies for a certificate ~~H~~ *or license*, a fee for any investigation of the person's background undertaken pursuant to NRS 645D.180.

2. The fee will not exceed the actual cost to conduct the investigation.

Sec. 19. NAC 645D.170 is hereby amended to read as follows:

645D.170 Each application for a certificate as an inspector *or a license as an energy auditor* must be completed personally by the applicant. Employees of the Division shall not help a person prepare his or her application.

Sec. 20. NAC 645D.180 is hereby amended to read as follows:

645D.180 The Administrator shall not:

1. Accept an application for a certificate as an inspector *or a 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.

Sec. 21. NAC 645D.210 is hereby amended to read as follows:

645D.210 1. Except as otherwise provided in subsection 3, an applicant for a certificate as a certified residential inspector:

(a) Must furnish proof satisfactory to the Division that he has successfully completed:

(1) Not less than 40 hours of classroom instruction in subjects related to structural inspections in courses approved by the Division.

(2) An examination approved by the Division.

(3) The observation of at least 25 inspections performed by:

(I) A certified general inspector or a certified master inspector for a fee; or

(II) A certified residential inspector who has completed no less than 400 inspections and has a minimum of 4 years' experience as an inspector.

~~(H)~~ *(III)* An instructor approved by the Administrator.

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

(c) Must demonstrate his ability to produce a complete and credible inspection report according to the standards and requirements set forth in [NAC 645D.460](#) to [645D.580](#), inclusive.

2. An applicant must submit to the Division a log of the inspections he observed on a form supplied by the Division.

3. An applicant who has held a certificate as a residential inspector, or the equivalent, issued by another state may submit 25 inspection reports that he completed during the 2 years immediately preceding his application. If the Division determines that the inspection reports are complete and credible according to the standards and requirements set forth in [NAC 645D.460](#) to [645D.580](#), inclusive, the Division may accept the reports in lieu of the 25 observations of inspections required by subsection 1.

Sec. 22. NAC 645D.231 is hereby amended to read as follows:

645D.231 As used in NAC 645D.231 to 645D.248, inclusive, *and sections 6 to 9, inclusive, of this regulation*, unless the context otherwise requires, the words and terms defined in NAC 645D.2315, 645D.2317 and 645D.232 *and sections 6, 7 and 8 of this regulation* have the meanings ascribed to them in those sections.

Sec. 23. NAC 645D.234 is hereby amended to read as follows:

645D.234 Before any school *or provider* offers or conducts a course *or program* of instruction in preparation for an original certificate ~~[H]~~ *or license*, the school *or 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 the following information for determining the eligibility of the school *or provider* for approval:

1. The name, ~~{and}~~ address, *telephone number, facsimile number, electronic mail address and Internet website address* of the school ~~{;}~~ *or provider, as applicable;*
2. The type of school *or provider, as applicable*, and a description of its facilities;
3. The names of the owners of the school ~~{;}~~ *or provider, as applicable*, including, if applicable, the name of the business organization that owns the school *or provider, as applicable*, and the names and addresses of all directors, principals, officers and other persons having interests as owners;
4. A list of the *names and addresses of the* instructors and evidence of their qualifications;
5. A list of the courses *or programs* to be offered and a topical syllabus for each course ~~{;}~~ *or program;*
6. The allotment of time for each subject taught;
7. A proposed schedule of courses *and programs* for 1 year;
8. The titles, authors and publishers of all required textbooks;
9. A copy of ~~{an}~~ *each quiz and* examination and the correct answer for each question;
10. A statement of the:
 - (a) Purpose of the school ~~{;}~~ *or provider, as applicable;*
 - (b) Fees to be charged;
 - (c) Days, times and locations of classes ~~{;}~~ *or programs;*
 - (d) Number of quizzes and examinations;
 - (e) Grading systems, including the methods of testing and standards of grading;
 - (f) Requirements for attendance; ~~{and}~~
 - (g) *Policy concerning cancellations and refunds; and*

(h) Location of the students' records;

11. Confirmation that the school *or provider, as applicable*, administers a final examination for each class *or program* that is conducted in the presence of a proctor; and

12. Any other information that the Division finds necessary to determine the suitability of the school *or provider* to offer and conduct a course *or program* of instruction in preparation for an original certificate ~~§~~ *or license*.

Sec. 24. NAC 645D.235 is hereby amended to read as follows:

645D.235 1. Within 15 days after the occurrence of any material change in an approved school *or approved program provider* which would affect its approval by the Division, the school *or provider, as applicable*, shall give the Division written notice of that change.

2. To qualify for annual renewal of approval by the Division, an approved school *or approved program provider* must submit to the Division before July 1:

(a) A written certification, in a form prescribed by the Division, declaring that the school *or provider, as applicable*, 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 school *or provider* that does not meet the standards required by this chapter.

4. Within 60 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 school ~~§~~ *or provider, as applicable*.

Sec. 25. NAC 645D.236 is hereby amended to read as follows:

645D.236 An approved school *or approved program provider* shall, as a condition of the approval:

1. Maintain a record of each student's attendance and certification in an approved course ~~[]~~ *or approved program*. The records must:

(a) Include, without limitation:

- (1) The name of the student;
- (2) The title, description and number of the approved course ~~[]~~ *or approved program*;
- (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 ~~[]~~ *or*

approved program;

(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 ~~[school's]~~ business hours ~~[]~~ *of the school or approved program provider*.

2. Upon the request of a transferring student, furnish the school *or approved program provider, as applicable*, to which the student is transferring a copy of the student's attendance record and certification for each approved course *or approved program* that he or she has completed.

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

Sec. 26. NAC 645D.238 is hereby amended to read as follows:

645D.238 1. An approved school *or approved program provider* shall require each student in an approved course *or approved program* to attend the required number of hours of instruction and pass a final examination in the ~~[approved]~~ course *or program, as applicable*, with a score of not less than 75 percent to attain certification ~~[]~~ *for the course or program, as*

applicable.

2. The school *or provider, as applicable*, may certify only the number of hours for which the course *or program* has been approved by the Division.

3. The completion of a portion of an approved course *or approved program* is not acceptable to satisfy ~~certification~~ requirements ~~[]~~ *for certification as an inspector or licensure as an energy auditor by the Division.*

Sec. 27. NAC 645D.241 is hereby amended to read as follows:

645D.241 1. A school *or provider* may file with the Division a written request for a hearing before a hearing officer if the:

(a) ~~School's application~~ *Division denies the application of the school or provider, as applicable*, for approval of a course ~~is denied;~~ *or program*; or

(b) Administrator determines that an approved school ~~or~~, *approved program provider*, *approved* course *or approved program* no longer complies with the standards prescribed in this chapter and the approval of the school ~~or~~, *provider*, course *or program* is withdrawn.

2. Except as otherwise provided in NAC 645D.2446, the request must be filed within 20 calendar days after receiving the order of denial or withdrawal of approval. Except as otherwise provided in NAC 645D.2446, the hearing officer shall hold the hearing within 90 calendar days after the request for a hearing is filed unless the school *or provider, as applicable*, makes a written request for a continuance and the hearing officer grants that request. The hearing officer shall decide the matter within 90 calendar days after the hearing. Except as otherwise provided in this subsection, the hearing officer shall conduct the hearing in the same manner as a hearing conducted pursuant to NAC 645D.700.

Sec. 28. NAC 645D.242 is hereby amended to read as follows:

645D.242 An approved school *or approved program provider* shall not make any

misrepresentation in its advertising about any course *or program* of instruction that it offers in preparation for an original certificate ~~[-]~~ *or license*.

Sec. 29. NAC 645D.2425 is hereby amended to read as follows:

645D.2425 An approved school *or approved program provider* shall not:

1. Present a course *or program* for the purpose of selling products and must limit the announcement of products during the course *or program* to not more than 1 minute for each hour of instruction;
2. Allow a student to pass a course *or program* by taking an examination without having attended the required hours of instruction; or
3. Provide more than 8 hours of instruction per day in an approved course ~~[-]~~ *or approved program*.

Sec. 30. NAC 645D.243 is hereby amended to read as follows:

645D.243 1. An approved school *or approved program provider* shall employ as an instructor of an approved course *or approved program* 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:

- (1) A bachelor's degree in the field in which the person is instructing.
- (2) Current experience teaching subjects relating to the inspection of structures *or energy audits* in the Nevada System of Higher Education or another institution which awards degrees.
- (3) Five years of full-time experience, other than in a secretarial position, working in a job directly related to the subject taught.
- (4) Three years of experience teaching the specific subject ~~[-]~~ *as an instructor who is*

accredited by an organization that issues a certification or accreditation that is approved by the Division.

2. An instructor must demonstrate to the satisfaction of the Division the academic training or work experience that qualifies him or her to teach an approved course ~~{}~~ *or approved program.*

3. An approved school *or approved 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 school *or approved 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 ~~{}~~ *or approved program.* A guest lecturer must be an expert in the subject that he or she teaches.

5. An approved instructor must be present in the classroom at all times during the hours of instruction of an approved course ~~{}~~ *or approved program.*

Sec. 31. NAC 645D.244 is hereby amended to read as follows:

645D.244 1. The Division may revoke its approval of a particular instructor who is employed by an approved school *or approved program provider* 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}~~ *or location of training and practice;*
- (c) *The instructor fails to* maintain complete records of ~~{their}~~ *the* attendance ~~{}~~ *of students;*

or

~~[(e)]~~ (d) After an audit of the course *or program, as applicable*, and review of the evaluations of the course ~~[(e)]~~ *or program, as applicable*, the Division concludes that the instructor is not qualified to instruct the course ~~[(e)]~~ *or program, as applicable*.

2. The Division will give the instructor and *the* school *or provider* 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 or her 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.

Sec. 32. NAC 645D.2442 is hereby amended to read as follows:

645D.2442 1. An approved school *or approved program provider* shall not offer or conduct a course *or program* of instruction in preparation for an original certificate *or license* unless the course *or program* 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 *or program* of instruction offered in preparation for an original certificate *or license* expires each year on June 30.

3. An approved school *or approved program provider* must apply annually for reapproval of an approved course ~~[(e)]~~ *or approved program*. The application must be submitted on a form provided by the Division and describe any changes in the ~~[(e)]~~ course *or program, as applicable*, since its last approval. The form must be received by the Division not later than June 1.

4. An approved school *or approved program* shall notify the Division within 15 days after

making any material change in an approved course ~~[]~~ *or approved program*.

5. The approval of any course *or program* 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]~~ *the* course ~~[]~~ *or program*. An approved school *or approved program 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 ~~[]~~ *or program*:

(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 *location of training and practice*.

(d) *Failure of an instructor* to maintain complete records of ~~[their]~~ *the* attendance ~~[]~~ *of students*.

Sec. 33. NAC 645D.2444 is hereby amended to read as follows:

645D.2444 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.]~~ *or approved program*.

2. The Division will not approve a course *or program* designed to develop or improve clerical, office or business skills that are not related to the ~~[inspection]~~ process ~~[]~~ *of performing an inspection or energy audit*, 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 *or program* of instruction in preparation for an original certificate ~~[]~~ *or license*.

Sec. 34. NAC 645D.2446 is hereby amended to read as follows:

645D.2446 1. If the Administrator determines, whether pursuant to an audit or otherwise, that an approved course *or approved program* does not meet the standards for such a course *or program* set forth in this chapter, the Administrator shall notify the approved school *or approved program provider, as applicable*, of the Administrator's intent to withdraw approval of the course ~~[]~~ *or program, as applicable*. The notice must include the specific reasons upon which the Administrator is basing his or her decision to withdraw approval of the course ~~[]~~ *or program, as applicable*. Not later than 30 days after the date on which the approved school *or approved program provider, as applicable*, receives the notice, the school *or provider, as applicable*, may provide a written response to the Administrator that clearly sets forth the reasons why approval of the course *or program, as applicable*, should not be withdrawn and specifies any corrective measures that the school *or provider, as applicable*, will undertake. After the 30-day period has elapsed, the Administrator shall review the notice and any response submitted by the school *or provider* and:

- (a) Withdraw approval of the course ~~[]~~ *or program*;
- (b) Allow the course *or program* to remain approved if certain specific conditions are met; or
- (c) Allow the continued approval of the course ~~[]~~ *or program*.

↪ If the Administrator decides to withdraw approval of the course ~~[]~~ *or program*, the withdrawal of approval of the course *or program, as applicable*, becomes effective upon the mailing of the Administrator's decision to withdraw approval to the approved school *or approved program provider, as applicable*, by certified mail, return receipt requested, to the ~~[school's]~~ last known business address ~~[]~~ *of the school or provider, as applicable*.

2. If the Administrator withdraws approval of a course ~~[]~~ *or program*, the Division will give credit to a student for completing the course *or program, as applicable*, if the student began

the course *or program, as applicable*, before the approved school *or approved program provider, as applicable*, received written notice of the withdrawal of approval of the course ~~[-]~~ *or program, as applicable*.

3. The approved school *or approved program provider* may contest the decision of the Administrator to withdraw approval of a course *or program* by making a written demand to the Division for a hearing not later than 30 days after the date on which the withdrawal of the approval of the course *or program, as applicable*, becomes effective.

4. The Division will, within 90 days after receiving the demand for a hearing, set a date for the hearing and notify the approved school *or approved program provider, as applicable*, of the date.

Sec. 35. NAC 645D.2472 is hereby amended to read as follows:

645D.2472 1. The form for registration for an approved course *or approved program* must set forth, in writing, the policy of the approved school *or approved program provider, as applicable*, concerning cancellation and refunds.

2. Any advertising or promotional brochure for an approved course *or approved program* must specify that the course *or program, as applicable*, is approved by the Division.

Sec. 36. NAC 645D.2474 is hereby amended to read as follows:

645D.2474 An approved school *or approved program provider* shall state on all materials, other than copyrighted materials, used in an approved course ~~[-]~~ *or approved program:*

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

Sec. 37. NAC 645D.2476 is hereby amended to read as follows:

645D.2476 The Division will not allow credit for more than 8 hours of instruction per day of any approved course ~~[]~~ *or approved program*.

Sec. 38. NAC 645D.2478 is hereby amended to read as follows:

645D.2478 An approved school *or approved program provider* shall provide a certificate of completion to a student who completes an approved course ~~[]~~ *or approved program*. The Division will accept the certificate as proof of the student's completion of the approved course ~~[]~~ *or approved program*. The certificate of completion must include, without limitation:

1. The name of the approved school ~~[]~~ *or approved program provider, as applicable;*
2. The title, description and number of the approved course ~~[]~~ *or approved program, as applicable;*
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 ~~[]~~ *or approved program, as applicable;*
6. An original signature of a person authorized to sign for the approved school ~~[]~~ *or approved program provider, as applicable;* and
7. The statement: "This course *or program* is approved by the Nevada Real Estate Division."

Sec. 39. NAC 645D.300 is hereby amended to read as follows:

645D.300 1. The Division will grant a certificate *or license, as applicable*, to each applicant who complies with all provisions of this chapter and chapter 645D of NRS governing ~~[certification]~~:

(a) *Certification* as a residential inspector, general inspector or master inspector ~~[]~~; *or*

(b) *Licensure as an energy auditor*.

2. Upon receiving the certificate ~~[]~~ *or license*, the certified inspector *or energy auditor* may

conduct the business of a certified residential inspector, certified general inspector, ~~or~~ certified master inspector ~~or~~ *energy auditor*, as applicable, in this state.

Sec. 40. NAC 645D.310 is hereby amended to read as follows:

645D.310 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.

Sec. 41. NAC 645D.320 is hereby amended to read as follows:

645D.320 The Division will issue a certificate *or license, as applicable*, to each eligible person in such form and size as is prescribed by the Division. Each certificate *and each 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.

Sec. 42. NAC 645D.330 is hereby amended to read as follows:

645D.330 Each certified inspector *and each energy auditor* shall display his or her certificate *or license, as applicable*, conspicuously in his or her place of business.

Sec. 43. NAC 645D.335 is hereby amended to read as follows:

645D.335 1. The certificate of a certified inspector *or license of an 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 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 or her certificate ~~or~~ *license, as*

applicable.

Sec. 44. NAC 645D.340 is hereby amended to read as follows:

645D.340 If a certified inspector *or energy auditor* chooses to establish an office in a private home or in conjunction with another business, his or her business location must comply with local zoning requirements.

Sec. 45. NAC 645D.360 is hereby amended to read as follows:

645D.360 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~~ *or license*.

Sec. 46. NAC 645D.370 is hereby amended to read as follows:

645D.370 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 or her certificate ~~or~~ *or license*.

2. A holder of a certificate *or license* who is on inactive status must apply for the renewal of the certificate *or license* on or before each anniversary of the certificate ~~or~~ *or license*.

Sec. 47. NAC 645D.380 is hereby amended to read as follows:

645D.380 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 if the holder of the certificate *or license* has been on inactive status for at least 1 year; ~~and~~

(d) ~~Contain~~ *If the applicant is the holder of a certificate, contain* evidence that the requirements for continuing education have been fulfilled ~~and~~; *and*

(e) If the applicant is the holder of a license, contain evidence that the applicant holds the certification or accreditation described in paragraph (b) of subsection 1 of section 5 of this regulation.

2. A holder of a certificate *or license* who is placed on inactive status for his or her failure to comply with this chapter remains inactive until an application for reinstatement has been approved by the Division.

Sec. 48. NAC 645D.390 is hereby amended to read as follows:

645D.390 1. To renew an active certificate, a certified inspector must complete 20 hours of approved education, including, without limitation:

(a) At least 3 hours of instruction on issues relating to the safety of any inhabitants of a structure being inspected and the inspector conducting the inspection; and

(b) At least 2 hours of instruction on the provisions of this chapter and chapter 645D of NRS.

↳ The education must be completed in the 2 years immediately preceding the date of renewal.

2. To reinstate a certificate expired more than 60 days but less than 1 year, a certified inspector must complete 30 hours of approved education, including, without limitation:

(a) At least 3 hours of instruction on issues relating to the safety of any inhabitants of a structure being inspected and the inspector conducting the inspection; and

(b) At least 2 hours of instruction on the provisions of this chapter and chapter 645D of NRS.

3. *To renew an active license, an energy auditor must hold the certification or accreditation described in paragraph (b) of subsection 1 of section 5 of this regulation.*

4. As used in this section, “hour of approved education” means at least 50 minutes of actual time spent receiving instruction in a course approved by the Division.

Sec. 49. NAC 645D.400 is hereby amended to read as follows:

645D.400 If the certificate of a certified inspector *or license of an energy auditor* is cancelled, suspended or revoked, he or she shall deliver the certificate *or license, as applicable,* to the Division. No refund will be given when a certificate *or license* is cancelled, suspended or revoked.

Sec. 50. NAC 645D.410 is hereby amended to read as follows:

645D.410 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, as applicable,* has been lost, destroyed or stolen. The affidavit must contain the holder’s promise to surrender the certificate *or license, as applicable,* if it is recovered.

Sec. 51. NAC 645D.420 is hereby amended to read as follows:

645D.420 If the Division determines that a certified inspector *or energy auditor* has discontinued business at the address at which he or she holds a certificate *or license, as applicable,* and this fact has not been reported to the Division, the certificate *or license* may be cancelled by the Division.

Sec. 52. NAC 645D.450 is hereby amended to read as follows:

645D.450 1. Except as otherwise provided in this section, a certified inspector shall conduct each inspection and prepare a complete inspection report of each inspection in accordance with [NAC 645D.460](#) to [645D.580](#), inclusive.

2. A certified inspector is required to obtain the clients’ written approval of a home

inspection agreement prior to the inspection.

~~[2-]~~3. A certified inspector may exceed the requirements set forth in [NAC 645D.460](#) to [645D.580](#), inclusive, when conducting an inspection.

~~[3-]~~4. A certified inspector may conduct a partial inspection or reinspection that does not satisfy all the requirements of [NAC 645D.480](#) to [645D.580](#), inclusive, if:

(a) The partial inspection or reinspection satisfies all the relevant requirements of [NAC 645D.460](#) to [645D.580](#), inclusive; and

(b) The inspection report:

- (1) States that a partial inspection or reinspection has been performed;
- (2) Describes the purpose of the partial inspection or reinspection; and
- (3) Clearly identifies the matters included in the partial inspection or reinspection.

~~[4-]~~5. The provisions of [NAC 645D.480](#) to [645D.580](#), inclusive, do not require a certified inspector to move or disturb any item, including, without limitation, insulation, personal items, panels, furniture, equipment, plants, soil, snow, ice or ~~[other debris,]~~ *anything* that obstructs his access to or visibility of any item listed in [NAC 645D.480](#) to [645D.580](#), inclusive.

Sec. 53. NAC 645D.460 is hereby amended to read as follows:

645D.460 ~~[A]~~ *Each* certified inspector *and each energy auditor* shall:

1. Perform his or her 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 the ~~[inspector's]~~ business *of the inspector or auditor* in a manner that will assure his or her client of the ~~[inspector's]~~ independence *of the inspector or auditor* from outside influence and interest which would compromise his or her ability to render a fair and impartial

inspection ~~§~~, *energy audit, limited energy audit or energy assessment*.

4. Not disclose any information concerning the results of an inspection, *energy audit, limited energy audit or energy assessment* without the approval of the client or the client's representative for whom the inspection, *audit or assessment* 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, *audited or assessed* property while conducting an inspection ~~§~~, *energy audit, limited energy audit or energy assessment*.

8. Not use the term or designation "state certified inspector" *or "state licensed energy auditor"* unless he or she is certified ~~§~~ *or licensed as such*.

9. Before the execution of a contract to perform an inspection, *energy audit, limited energy audit or energy assessment*, 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 or her interest in any business to affect the quality or results of an inspection ~~§~~, *energy audit, limited energy audit or energy assessment*.

Sec. 54. NAC 645D.470 is hereby amended to read as follows:

645D.470 A certified inspector *or energy auditor* shall not, while making an inspection ~~§~~, *energy audit, limited energy audit or energy assessment*:

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 or she does not have a *certificate or* 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 or she is licensed or certified to make such a calculation.*
5. Enter any area or perform any procedure that may damage any part of the structure being inspected, *audited or assessed* or *may* 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 or she is licensed or certified to make such ~~[inspections and determinations.]~~ *a determination.*
9. Determine the effectiveness of any system installed to control or remove suspected hazardous substances ~~[]~~, *unless he or she is licensed or certified to make such a determination.*
10. Predict the future condition of any system or component, including, but not limited to, the failure of a component ~~[]~~, *unless he or she is licensed or certified to make such a prediction.*
11. Project the operating costs of any component ~~[]~~ *unless he or she is licensed or certified to make such a projection.*
12. Repair a defect identified during the inspection ~~[]~~, *energy audit, limited energy audit or energy assessment.*

Sec. 55. NAC 645D.490 is hereby amended to read as follows:

645D.4901. A certified inspector shall inspect the built-in kitchen appliances of the structure being inspected, including, but not limited to, the following kitchen appliances if they are not shut off or otherwise inoperable:

- (a) The dishwasher;
- (b) The range, cook top and oven;
- (c) The trash compactor;
- (d) The garbage disposal;
- (e) The ventilation equipment and range hood; and
- (f) The microwave oven.

2. An inspection of the built-in kitchen appliances must include, without limitation, the operation of the dishwasher through at least one normal cycle.

Sec. 56. NAC 645D.510 is hereby amended to read as follows:

645D.510 1. A certified inspector shall inspect the plumbing system of the structure being inspected, including, but not limited to, the following components of the plumbing system:

- (a) The hot and cold water systems;
- (b) The waste and drain systems;
- (c) The vent systems; and
- (d) The readily accessible gas lines.

2. An inspection of the plumbing system must include, without limitation:

(a) An identification and description of the type of water lines and a determination of whether the system has been activated;

(b) The operation of all plumbing fixtures and a visual inspection of all readily accessible components of the plumbing system;

(c) A determination of the functional flow of the waste, drain, water and vent lines; and

(d) An identification and description of the type of domestic water heater, energy source and any safety devices attached thereto.

Sec. 57. NAC 645D.520 is hereby amended to read as follows:

645D.520 1. A certified inspector shall inspect the electrical systems of the structure being inspected, including, but not limited to, the following components of the electrical system:

(a) The switches, receptacles and fixtures;

(b) The main panel box and all subpanel boxes, including, but not limited to, the feeders; and

(c) The readily accessible wiring and junction boxes.

2. An inspection of the electrical system must include, without limitation:

(a) An identification and description of the amperage and type of overcurrent protection devices, including, but not limited to, the fuses and breakers;

(b) A description of the condition of the electrical system, including, but not limited to, the grounding cables;

(c) A verification of the compatibility and condition of the main and branch circuit overcurrent protection devices to the size of the conductors served by them;

(d) The testing of a representative number of readily accessible switches, receptacles and light fixtures in each room or area of the structure;

(e) A test and verification of the grounding, polarity and operation of all readily accessible ground fault circuit interrupter devices; and

(f) An evaluation of the system and all readily accessible wiring.

Sec. 58. NAC 645D.530 is hereby amended to read as follows:

645D.530 1. A certified inspector shall inspect the heating system of the structure being inspected, including, but not limited to, the following components of a heating system:

(a) The heating equipment and heating distribution system;

(b) The operating controls; and

(c) The auxiliary heating units.

2. An inspection of the heating system must include, without limitation:

(a) An identification and description of the type of system, distribution, energy source and number of units or systems in the structure;

(b) The opening of all readily accessible access panels or covers provided by the manufacturer so that the enclosed components can be evaluated; and

(c) An evaluation of the readily accessible controls and components.

Sec. 59. NAC 645D.540 is hereby amended to read as follows:

645D.540 1. A certified inspector shall inspect the air-conditioning system of the structure being inspected, including, but not limited to, the following components of the air-conditioning system:

(a) The cooling equipment and cooling distribution systems; and

(b) The operating controls.

2. An inspection of the air-conditioning system must include, without limitation:

(a) An identification and description of the type of system, distribution, energy source and number of units or systems in the structure;

(b) The opening of all readily accessible access panels or covers provided by the manufacturer so that the enclosed components can be evaluated; and

(c) An evaluation of the readily accessible controls and components.

Sec. 60. NAC 645D.560 is hereby amended to read as follows:

645D.560 1. A certified inspector shall inspect the roofing components of the structure being inspected, including, but not limited to:

- (a) The roof covering;
- (b) The flashing;
- (c) The insulation;
- (d) The ventilation;
- (e) The soffits and fascia; and
- (f) The skylights, roof accessories and penetrations.

2. The inspection of roofing components must include, without limitation:

(a) An identification and description of the materials of the visible roof structure, roof flashing, skylights, penetrations, ventilation devices and roof drainage;

(b) An evaluation of the condition of the readily accessible attic areas;

(c) A determination of the type, condition and approximate thickness of the attic insulation;

and

(d) A description of the method of observation used to inspect the roof.

Sec. 61. NAC 645D.600 is hereby amended to read as follows:

645D.600 In determining whether a certified inspector *or energy auditor* is guilty of unprofessional conduct or professional incompetence, the Division will consider, among other things, whether the inspector *or auditor, as applicable*, has:

1. Failed to perform ~~[an]~~:

(a) *An inspection and prepare a complete [inspection] report of the inspection [in accordance with] pursuant to* NAC 645D.450 to 645D.580, inclusive; *or*

(b) *An energy audit, limited energy audit or energy assessment and prepare a complete report of the audit or assessment pursuant to NRS 645D.300;*

2. Done ~~[the inspector's]~~ *his or her* utmost to protect the public against fraud, misrepresentation or unethical practices relative to his or her profession;

3. Made an inspection, *energy audit, limited energy audit or energy assessment* and prepared ~~[an inspection]~~ a report of any property outside of ~~[the inspector's]~~ *his or her* field of experience or competence without the assistance of a qualified authority; or

4. Adequately documented any required disclosures of ~~[the inspector's]~~ *his or her* interest in any property with which he or she is dealing.

Sec. 62. NAC 645D.610 is hereby amended to read as follows:

645D.610 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, the inspector *or auditor* shall disclose the name under which he or she does business and the type of certificate *or license* he or she holds.

Sec. 63. NAC 645D.620 is hereby amended to read as follows:

645D.620 1. A certified inspector *or energy auditor* shall keep at his or her place of business, or other location approved by the Division, a copy of the ~~[inspection]~~ report, work file and any other pertinent information relating to each inspection, *energy audit, limited energy audit or energy assessment* he or she conducts for at least 3 years after the completion of the inspection ~~[.]~~, *audit or assessment*. Only one set of files need be maintained, but the information must be available to all participating inspectors ~~[.]~~ *and auditors and the Division*.

2. ~~[All inspections]~~ *Each inspection, energy audit, limited energy audit and energy assessment* conducted by a certified inspector *or 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, work file and other pertinent information relating to an inspection, *energy audit, limited energy audit or energy assessment* 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 energy auditor* regularly conducts business.

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

Sec. 64. NAC 645D.630 is hereby amended to read as follows:

645D.630 1. The Division may use a form of its design to conduct any office examination and require the certified inspector *or energy auditor* or his or her 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 work file for inspections which have been performed by the inspector, or the work file for energy audits, limited energy audits or energy assessments which have been performed by the auditor; and*
- (e) The availability of current statutes and regulations at the place of business.

Sec. 65. NAC 645D.640 is hereby amended to read as follows:

645D.640 A certified inspector *or 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 or her records.

Sec. 66. NAC 645D.650 is hereby amended to read as follows:

645D.650 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 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 *or location* of the structure, *appliance or system* that is the subject of the complaint.

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

4. A certified inspector *or 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.

Sec. 67. NAC 645D.660 is hereby amended to read as follows:

645D.660 1. The Division may grant any certified inspector *or energy auditor* not more than 10 calendar days to correct any deficiency involving advertising, the location of his or her business or office operation. A notice of the deficiency and a request to correct the deficiency must be mailed to the certified inspector ~~§~~ *or 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.

Sec. 68. NAC 645D.730 is hereby amended to read as follows:

645D.730 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]~~ *not later than* 15 days after ~~[its]~~ *issuance of the* 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 or her petition, oral argument must be requested in writing at the time the petition is submitted to the ~~[Administrator.]~~ *Division*. 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']~~ *provide* notice of the hearing ~~[]~~ *to the petitioner not later than 15 days before 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.