

**APPROVED REGULATION OF
THE REAL ESTATE COMMISSION**

LCB File No. R199-22

Filed September 16, 2024

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

AUTHORITY: §§ 1-5, 8-10, 28 and 29, NRS 645.190; §§ 6, 7, 11-24 and 27, NRS 645.190 and 645.575; § 25, NRS 645.050, 645.190 and 645.630; § 26, NRS 645.190 and 645.6052.

A REGULATION relating to real estate; defining certain terms; specifying certain requirements for licensure of a person as a real estate broker-salesperson or real estate salesperson on behalf of a corporation or limited-liability company; revising various provisions concerning courses for postlicensing education and continuing education; requiring an instructor of such a course to hold an active registration as an instructor issued by the Real Estate Division of the Department of Business and Industry; setting forth procedures and requirements for the issuance, renewal and withdrawal of such a registration; establishing various requirements relating to registered instructors; revising the criteria the Division must consider in determining whether to approve a course of instruction offered by distance education; revising procedures governing the withdrawal of the approval of a course by the Real Estate Administrator; revising requirements for a student to be eligible to receive credit for certain courses; authorizing the Division to publish certain materials; expanding the circumstances under which the Administrator may require certain persons to pay an administrative fine; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Real Estate Commission to adopt reasonable regulations for the administration of the provisions of law governing real estate brokers, real estate broker-salespersons and real estate salespersons. (NRS 645.190)

Existing law requires the Commission to adopt regulations that prescribe the standards for the continuing education of licensees. (NRS 645.575) Existing regulations set forth various requirements for courses for continuing education and courses for postlicensing education and establish procedures pursuant to which a person may submit an application to the Real Estate Division of the Department of Business and Industry for the approval of a course for continuing

education or for a course for postlicensing education. (NAC 645.4442-645.467) **Section 6** of this regulation requires the Division to: (1) assign each course for continuing education a designation to indicate the subject area in which a person who successfully completes the course may receive credit; and (2) make available to each applicant for the approval of a course for continuing education a list of designations that may be assigned to the course. **Section 6** requires such an applicant to select a designation to be assigned for the proposed course in his or her application. Under **section 6**, the selection of more than one designation, with certain exceptions, is grounds for the denial of the application of the applicant.

Section 7 of this regulation prohibits an applicant for the approval of a course for continuing education or course for postlicensing education, with certain exceptions, from marketing, advertising or accepting payment for enrollment in the course before the course has been approved.

Existing law authorizes certain natural persons to be licensed on behalf of a corporation or limited-liability company for the purpose of associating with a licensed real estate broker, under certain circumstances. (NRS 645.387) **Section 8** of this regulation clarifies that the name which appears on such a license must be the name of the natural person to whom the license is issued.

Existing regulations require an instructor of a course for continuing education or course for postlicensing education that has been approved by the Division to have written approval from the Division before teaching such a course. (NAC 645.426) Beginning on July 1, 2025, **sections 11 and 29** of this regulation require an instructor who wishes to teach such a course to instead possess an active registration as an instructor issued by the Division. **Section 11** sets forth requirements for the issuance and renewal of such a registration. **Section 11** also requires the sponsor of an approved course, before listing a person as an instructor or allowing a person to begin teaching an approved course, to ensure that the person has an active registration as an instructor and submit to the Division a course affiliation request for approval. **Section 27** of this regulation authorizes a person who has obtained written approval from the Division on June 30, 2025, to teach an approved course to continue to teach the course for a certain period of time without obtaining a registration under certain circumstances. **Sections 11-15, 20 and 23** of this regulation make conforming changes to account for the requirement that an instructor obtain such a registration from the Division.

Existing regulations set forth procedures by which the Real Estate Administrator may withdraw the approval of an instructor. (NAC 645.427) **Section 12** of this regulation establishes procedures by which the Administrator may withdraw the registration of an instructor.

Section 16 of this regulation revises procedures for the withdrawal of approval of a course approved by the Administrator.

Existing regulations authorize the Administrator to designate any course of instruction sponsored by the Division to be delivered to certain areas by means of distance education in lieu of classroom instruction and authorize the Division to issue credit for continuing education for such a course. (NAC 645.456) **Section 24** of this regulation additionally authorizes such a course to be delivered by live instruction.

Section 3 of this regulation defines “live instruction” to mean instruction that is delivered: (1) by a person who is physically located in the same room as the student receiving the

instruction; (2) through an electronic platform that uses electronic means to enable the person providing the instruction and the student receiving the instruction, who are separated by distance but not time, to see, hear and communicate with one another in real time; or (3) using a combination of those methods. **Section 2** of this regulation defines “classroom” to mean a physical room in which or electronic platform through which live instruction is delivered. **Section 4** of this regulation defines “voluntary cancellation” as the transferring of a license from active status to inactive renewed status by a licensee. **Section 9** of this regulation makes a conforming change to indicate the proper placement of **sections 2-4** in the Nevada Administrative Code. **Section 10** of this regulation revises the definition of “inactive renewed status.” **Section 28** of this regulation repeals the definition of “franchise.”

To receive a certificate of completion for an approved course, existing regulations require a student to pay attention to the instruction being provided in the course and refrain from various activities unrelated to the course. (NAC 645.4438) **Section 17** of this regulation additionally requires, with certain exceptions, a student to be present for the entire course and imposes certain requirements on a student who receives instruction by live instruction delivered through an electronic platform. **Section 17** also authorizes an instructor to allow a student who arrives late for a period of instruction or is temporarily disconnected from the classroom to complete the course and receive credit under certain circumstances. **Section 5** of this regulation requires that, if five or more students receive instruction in a course by live instruction delivered through an electronic platform, a person other than the instructor or a student must monitor the students receiving instruction through an electronic platform.

Existing regulations require a person who holds his or her initial license as a real estate broker, real estate broker-salesperson or real estate salesperson to take a prescribed course of postlicensing education that must, with certain exceptions, be provided through live instruction in which the licensee and the instructor are in the same room. (NAC 645.4442) Existing regulations also require, with certain exceptions, that a real estate salesperson, real estate broker or real estate broker-salesperson who wishes to renew or reinstate his or her license and who is required to fulfill certain requirements relating to continuing education complete at least 50 percent of the total hours of continuing education required through live instruction in which the licensee and the instructor are in the same room. (NAC 645.4441, 645.448) **Sections 18, 19 and 21** of this regulation revise those provisions to remove the requirement that the live instruction be provided in a manner in which the instructor and the licensee are in the same room.

Existing regulations describe certain kinds of courses and activities that do not meet the standards of continuing education and prohibit the Division, on behalf of the Commission, from approving more than a certain amount of hours of credit per day of instruction in a classroom. (NAC 645.450) **Section 22** of this regulation: (1) revises the prohibition against the Division approving more than a certain amount of hours of credit per day of instruction by providing that the limitation applies to live instruction rather than instruction in a classroom; and (2) authorizes the Division to publish a manual clarifying certain requirements relating to education.

Existing regulations require a person applying for the approval of a course for continuing education to submit an application to the Division and authorize the Division, on behalf of the Commission, to grant credit for such a course only if the course meets certain conditions. (NAC

645.455) **Section 23** revises certain: (1) requirements a course must meet to be granted credit for continuing education; and (2) duties of the sponsor of an approved course.

Existing regulations establish the maximum amount of administrative fines to be paid for violations of certain provisions of law or regulations. (NAC 645.695) **Section 25** of this regulation requires a licensee, property manager or owner-developer who is found guilty of representing or attempting to represent a real estate broker other than the broker with whom he or she is associated, without the express knowledge and consent of the broker with whom he or she is associated, to pay a fine for each such offense.

Existing law authorizes certain persons licensed by the Division to obtain a permit to engage in property management. (NRS 645.6052) **Section 26** of this regulation revises certain experiential requirements necessary to qualify for such a permit.

Section 1. Chapter 645 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 8, inclusive, of this regulation.

Sec. 2. “Classroom” means:

- 1. A physical room in which live instruction is delivered in the manner described in subsection 1 of section 3 of this regulation; or*
- 2. An electronic platform through which live instruction is delivered in the manner described in subsection 2 of section 3 of this regulation.*

Sec. 3. “Live instruction” means instruction that is delivered:

- 1. By a person who is physically located in the same room as the student receiving the instruction;*
- 2. Through an electronic platform that uses electronic means to enable the person providing the instruction and the student receiving the instruction, who are separated by distance but not time, to see, hear and communicate with one another in real time; or*
- 3. Using a combination of the methods described in subsections 1 and 2.*

Sec. 4. "Voluntary cancellation" means the transferring of a license from active status to inactive renewed status by a licensee.

Sec. 5. If an approved course which is taught through live instruction is attended by five or more students who are not physically located in the same room as the person delivering the instruction, at least one person other than the instructor or a student must monitor the students who are not physically located in the same room as the instructor.

Sec. 6. 1. The Division shall assign each course for continuing education a designation to indicate the subject area in which a person who successfully completes the course may receive credit. Such designations may include, without limitation:

(a) A designation relating to each specific subject area that is mandatory for the renewal or reinstatement of a license or permit to indicate that a person who successfully completes the course may receive credit toward the hours of continuing education required for the renewal or reinstatement of his or her license or permit in that mandatory subject area.

(b) A designation of general credit to indicate that a person who successfully completes the course may receive credit toward the hours of continuing education required for the renewal or reinstatement of his or her license or permit that do not involve a mandatory subject area described in paragraph (a).

2. The Division shall not assign a course for continuing education more than one designation, unless the additional designation is general credit.

3. The Division shall make available to each applicant for the approval of a course for continuing education a list of designations that may be assigned to the course pursuant to subsection 1.

4. An applicant for the approval of a course for continuing education shall select in the application for approval one designation to be assigned by the Division for the proposed course. An applicant shall not select more than one designation, unless the additional designation is for general credit.

5. A violation of subsection 4 by an applicant for the approval of a course for continuing education may constitute grounds for the Division to deny the application of the applicant.

Sec. 7. 1. Except as otherwise provided in subsection 2, an applicant for the approval of a course for continuing education or course for postlicensing education shall not:

(a) Market or advertise the course before receiving formal notification of approval that contains, without limitation, the number of the course assigned by the Division; or

(b) Accept payment for enrollment in a course before the course is approved by the Division.

2. An applicant for the approval of a course for continuing education or course for postlicensing education may advertise the course before receiving formal notification of approval of the course if each such advertisement contains the following statement in at least 14-point bold type:

This course is pending approval by the Real Estate Division of the Department of Business and Industry and has not yet received a number assigned by the Division. If the Division does not approve the course, a licensee may not use the course to satisfy any continuing education requirement.

3. A violation of subsection 1 by an applicant for the approval of a course of continuing education or course for postlicensing education may constitute grounds for the Division to deny the application of the applicant.

Sec. 8. *A license as a real estate broker-salesperson or real estate salesperson issued pursuant to NRS 645.387 may only be issued to a natural person who satisfies the requirements of subsection 1 of that section. The name which appears on a license issued pursuant to NRS 645.387 must be that of the natural person to whom the license is issued.*

Sec. 9. NAC 645.005 is hereby amended to read as follows:

645.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 645.007 to 645.052, inclusive, *and sections 2, 3 and 4 of this regulation* have the meanings ascribed to them in those sections.

Sec. 10. NAC 645.040 is hereby amended to read as follows:

645.040 “Inactive renewed status” means that a licensee holds a current unsuspended or unrevoked license, but *the license* has *been voluntarily* cancelled ~~{the license}~~ *or involuntarily inactivated* and *the licensee* may not transact any real estate business until the licensee reinstates the license to active status. When a licensee is on inactive renewed status, the Division shall keep his or her license.

Sec. 11. NAC 645.426 is hereby amended to read as follows:

645.426 1. An instructor must ~~{have written approval from}~~ *possess an active registration as an instructor issued by* the Division before teaching an approved course ~~{}~~ *within a field that the Division has determined the instructor has the necessary education and experience to teach.*

2. An applicant for ~~{approval}~~ *an initial registration* as an instructor must apply on a form prescribed by the Division.

3. *If an applicant for an initial registration as an instructor has ever been disciplined by the Commission or the Division acting on behalf of the Commission, the Administrator shall review the facts and circumstances surrounding the conduct of the applicant for which he or she was disciplined to determine whether the conduct adversely affects the ability of the applicant to provide instruction appropriately.* The Division shall not, without the approval of the Commission, ~~{approve a person}~~ *issue a registration* as an instructor *to an applicant who has been disciplined by the Commission or the Division acting on behalf of the Commission* if ~~: {the person:}~~

(a) ~~{Has}~~ *The applicant* been disciplined by the Commission or the Division acting on behalf of the Commission ~~{:~~

~~——(1) Within}~~ *more than twice within* the immediately preceding ~~{5}~~ 7 years; or

~~{(2) More than one time; or}~~

(b) ~~{Has been}~~ *The Administrator has* determined ~~{in an administrative or judicial proceeding to have violated any statute, rule, regulation or order pertaining to real estate in this or any other state.}~~ *that the conduct for which the applicant has been disciplined adversely affects the ability of the applicant to provide instruction appropriately.*

4. A person may be ~~{approved}~~ *registered* as an instructor to teach ~~{an}~~ approved ~~{course relating to his or her principal occupation}~~ *courses in one or more fields* if:

(a) The person has:

(1) A bachelor's degree or a more advanced degree, plus at least 2 years of full-time experience, in ~~{the}~~ *each* field , *or in a field that is related to each field*, in which he or she will be providing instruction;

(2) Teaching experience of at least 75 hours in ~~{the}~~ *each* field , *or in a field that is related to each field*, in which he or she will be providing instruction within the 3 years immediately preceding the date of the person's application for ~~{approval}~~ *registration* plus at least 3 years of full-time experience in that field;

(3) At least 6 years of full-time experience in ~~{the}~~ *each* field , *or in a field that is related to each field*, in which the person will be providing instruction; or

(4) Any combination of at least 6 years of college-level course work and full-time experience in ~~{the}~~ *each* field , *or in a field that is related to each field*, in which the person will be providing instruction;

(b) The person has a good reputation for honesty, integrity and trustworthiness; ~~{and}~~

(c) The person submits to the Division satisfactory documentation of his or her qualifications and a resume outlining his or her experience, education and teaching experience in ~~{the}~~ *each* field in which the person will be providing instruction ~~{-}~~ ; *and*

(d) The person has actively participated in and completed an instructor workshop offered by the Division within 6 months after the date on which the Division received the person's initial application for registration as an instructor.

5. If the Division denies an application for ~~{approval}~~ *registration* as an instructor, the applicant may appeal the decision of the Division by filing an appeal with the Commission not

later than 30 days after the date on which the applicant received notification of the denial of the application for ~~{approval}~~ *registration* as an instructor.

6. If the applicant files a timely appeal, the Commission will, as soon as practicable, hold a hearing concerning the denial of the application for ~~{approval}~~ *registration* as an instructor at a regularly scheduled meeting of the Commission and will:

(a) Affirm the decision of the Division to deny the application for ~~{approval}~~ *registration* as an instructor;

(b) ~~{Approve}~~ *Register* the instructor for a limited period and under such conditions as the Commission deems appropriate; or

(c) Reverse the decision of the Division to deny the application for ~~{approval}~~ *registration* as an instructor.

7. The Division shall periodically review and evaluate each ~~{approved}~~ *registered* instructor.

8. *The Division shall provide each applicant whose application for registration as an instructor has been approved a certificate that lists each field in which the applicant may teach approved courses. A registered instructor may only teach an approved course in a field that is listed on the certificate provided to the instructor by the Division.*

9. *A registration as an instructor is valid for 24 months after the date of issuance.*

10. *A registered instructor shall:*

(a) *Notify the Division on a form prescribed by the Division within 30 days after a change in the name or contact information of the instructor;*

(b) *Apply for the renewal of his or her registration on a form prescribed by the Division not more than 45 days before the date on which the registration will expire; and*

(c) Actively participate in and complete an instructor workshop offered by the Division within the 12 months immediately preceding the date on which the instructor submits the form required pursuant to paragraph (b).

11. Before listing a person as an instructor of an approved course or allowing a person to begin teaching an approved course, the sponsor of the course:

(a) Shall ensure that the person possesses an active registration as an instructor issued by the Division;

(b) Shall submit to the Division on a form prescribed by the Division a course affiliation request that includes, without limitation, the first name, last name and registration number of the instructor and the credential number issued by the Division for each course the sponsor wishes the instructor to teach; and

(c) Must receive notification from the Division that the course affiliation request submitted pursuant to paragraph (b) has been processed.

Sec. 12. NAC 645.427 is hereby amended to read as follows:

645.427 1. The Administrator may withdraw the ~~approval~~ *registration* of an instructor who:

(a) Does an inadequate job of teaching the subject matter of a course as evidenced by a student evaluation, a complaint received by the Division or an audit conducted by the Division;

(b) Has been determined in any administrative or judicial proceeding to have violated any statute, rule, regulation or order pertaining to real estate;

(c) Has been convicted of, or entered a plea of guilty or nolo contendere to, any crime involving fraud, deceit, misrepresentation or moral turpitude; ~~or~~

(d) Engages in inappropriate behavior in the classroom as evidenced by a student evaluation, a complaint received by the Division or an audit conducted by the Division ~~{+}~~ ; or

(e) Fails to fulfill his or her duties pursuant to NAC 645.428.

2. Before withdrawing ~~{approval}~~ *the registration* of ~~{the}~~ *an* instructor , ~~{of a course,}~~ the Administrator must notify the ~~{sponsor}~~ *instructor* of the ~~{course of his or her}~~ *Administrator's* intent to withdraw ~~{approval}~~ *the registration* of the instructor. The notice must include the specific reasons upon which the Administrator is basing the decision to withdraw the ~~{approval}~~ *registration* of the instructor. Not later than 30 days after the date on which ~~{he or she}~~ *the instructor* receives the notice, ~~{a sponsor}~~ *the instructor* may provide a written response to the Administrator that clearly sets forth the reasons why the ~~{approval}~~ *registration* of the instructor should not be withdrawn and outlining any corrective measures that the ~~{sponsor}~~ *instructor* will undertake. After the 30-day period has elapsed, the Administrator shall review the notice and any response submitted by the ~~{sponsor}~~ *instructor* and shall:

(a) Withdraw ~~{approval}~~ *the registration* of the instructor;

(b) Allow the instructor to remain ~~{approved}~~ *registered* if certain specific enumerated conditions are met ~~{+}~~ , *including, without limitation, requiring the instructor to retake the instructor workshop offered by the Division pursuant to paragraph (c) of subsection 10 of NAC 645.426;* or

(c) Allow the continued ~~{approval}~~ *registration* of the instructor.

~~{→}~~ 3. If the Administrator decides to withdraw ~~{approval}~~ *the registration* of ~~{the}~~ *an* instructor, the ~~{withdrawal of approval of the instructor becomes effective upon the mailing of the Administrator's decision to the sponsor of the course taught by}~~ *Administrator shall send to*

the instructor by certified mail, return receipt requested, ~~{to}~~ *written notice of the {sponsor's last known business address} decision. Withdrawal of the registration of the instructor becomes effective 30 days after the instructor receives notice of the withdrawal pursuant to this subsection unless the instructor appeals the decision within the time prescribed in subsection 5 for an appeal.*

~~{3.}~~ 4. If the Administrator withdraws ~~{approval}~~ *the registration* of an instructor, the Division shall give credit to a student for completing the course if the student began the course before the ~~{sponsor received written notice of the}~~ withdrawal of ~~{approval}~~ *the registration* of the instructor ~~†~~.

~~4.}~~ *becomes effective.*

5. The ~~{sponsor}~~ *instructor* may appeal the decision of the Administrator to withdraw ~~{approval of an instructor}~~ *his or her registration* by filing an appeal with the Commission not later than 30 days after the date on which the ~~{withdrawal of the approval of the}~~ instructor ~~{becomes effective}~~.

~~5.}~~ *receives notice of the withdrawal pursuant to subsection 3.*

6. If the ~~{sponsor}~~ *instructor* files a timely appeal, the Commission will, as soon as practicable, hold a hearing concerning the withdrawal of ~~{approval}~~ *the registration* of the instructor at a regularly scheduled meeting and will:

(a) Affirm the decision of the Administrator to withdraw ~~{approval}~~ *the registration* of the instructor;

(b) Suspend ~~{approval}~~ *the registration* of the instructor for a limited period and under such conditions as the Commission deems appropriate ~~†~~, *including, without limitation, requiring*

the instructor to retake the instructor workshop offered by the Division pursuant to paragraph (c) of subsection 10 of NAC 645.426; or

(c) Reverse the decision of the Administrator to withdraw ~~{approval}~~ *the registration* of the instructor.

7. If the Commission affirms the decision of the Administrator to withdraw the registration of the instructor, the withdrawal becomes effective on the date specified by the Commission.

8. If the instructor fails to file an appeal of the decision of the Administrator within the time prescribed by subsection 5 for an appeal, or if the Commission affirms the decision of the Administrator to withdraw the registration of the instructor, the Administrator shall send notice by certified mail, return receipt requested, to the last known business address of each sponsor of an approved course taught by the instructor.

9. Each sponsor notified pursuant to subsection 8 shall:

(a) Upon receipt of the notice, ensure the instructor is no longer associated with any of the approved courses of the sponsor by, without limitation, removing the name of the instructor from all course materials and taking appropriate action to ensure the instructor does not continue to teach any such approved courses; and

(b) Notify the Division within 15 days after removing the name of the instructor from all applicable course materials pursuant to paragraph (a).

Sec. 13. NAC 645.428 is hereby amended to read as follows:

645.428 1. ~~{An}~~ *A registered* instructor shall ensure that ~~{:}~~ *a course which he or she teaches is:*

- (a) ~~{Class sessions are commenced}~~ *Commenced* in a timely manner ~~{and are conducted}~~ ;
 - (b) *Conducted* for the full amount of time that is approved; and
 - ~~{(b) Each course is taught}~~
 - (c) *Taught* according to the course plan and instructor guide that was approved by the Division, including the furnishing to students of appropriate student materials.
2. ~~{An}~~ *A registered* instructor shall conduct himself or herself in a professional and courteous manner when performing his or her instructional duties and shall conduct classes in a manner that demonstrates the following basic teaching skills:
- (a) The ability to present instruction in a thorough, accurate, logical, orderly and understandable manner, to utilize illustrative examples as appropriate and to respond appropriately to questions from students;
 - (b) The ability ~~{effectively}~~ to utilize *effectively* varied instructional techniques in addition to lectures, including, without limitation, class discussion, role-playing and other techniques;
 - (c) The ability to utilize varied instructional aids effectively to enhance learning;
 - (d) The ability to maintain an appropriate learning environment and effective control of a class; and
 - (e) The ability to interact with adult students in a positive manner that:
 - (1) Encourages students to learn ~~{}~~ *and actively participate*;
 - (2) Demonstrates an understanding of varied student backgrounds;
 - (3) Avoids offending the sensibilities of students; and
 - (4) Avoids personal criticism of any other person, agency or organization.

3. A registered instructor teaching a course by means of distance education that is not taught through live instruction shall:

(a) Be reasonably available to respond timely to questions from students concerning the subject matter of the course and to direct students to additional sources of information. For the purposes of this paragraph, a response by a registered instructor shall be deemed timely if the response is made within 2 business days after the question is submitted, unless another registered instructor teaching the same course has responded to the same question posed by the same student.

(b) When contacted by a student about a dispute concerning registration or materials for a course or the means by which instruction is provided, engage in a good faith effort to resolve the dispute, including, without limitation, directing the student to the sponsor of the course for further assistance.

(c) Interact with adult students in a positive manner that:

(1) Encourages students to learn and actively participate;

(2) Demonstrates an understanding of varied student backgrounds;

(3) Avoids offending the sensibilities of students; and

(4) Avoids personal criticism of any other person, agency or organization.

Sec. 14. NAC 645.443 is hereby amended to read as follows:

645.443 1. A person who requests approval of a distance education course must demonstrate to the satisfaction of the Division that the proposed distance education course satisfies the following requirements:

(a) The course must *include, without limitation, stated learning objectives that are appropriate to professional education.*

(b) The course must be designed to ensure that students actively participate in the instructional process by utilizing techniques that require substantial interaction with the instructor, other students or a computer program. ~~If the subject matter of the course is such that the learning objectives for the course cannot be reasonably accomplished without direct interaction between the instructor and the students, the course design must provide for such interaction.~~

~~—(b) If the course does not provide students with the opportunity for continuous audio and visual communication with the instructor during the presentation of the course, the~~

(c) The course must utilize testing and *relevant* remedial processes appropriate to ensure mastery of the subject matter of the course by the students.

~~(e)~~ *(d)* If the course involves self-paced study, the course must be designed so that the time required for a student of average ability to complete the course is within the number of hours for which the course is approved, and the sponsor of the course shall utilize a system which ensures that students have actually performed all tasks designed to ensure participation and mastery of the subject matter of the course by the students.

~~(d)~~ *(e)* The proposed methods of instruction used in the course must be appropriate to the proposed learning objectives of the course, and the scope and depth of the instructional materials must be consistent with the proposed learning objectives.

~~(e)~~ *(f)* The sponsor of the course shall provide appropriate technical support to enable students to complete the course satisfactorily.

~~{(f) An approved}~~

(g) A registered instructor must be reasonably available to respond timely to questions asked by students concerning the subject matter of the course and to direct students to additional sources of information. For the purposes of this paragraph, a response by ~~{an approved}~~ *a registered* instructor shall be deemed timely if the response is made within 2 business days after the question is submitted.

~~{(g)}~~ *(h)* The sponsor of the course shall provide students with an orientation or information package which contains all information that the Division requires to be provided to students and all necessary information about the course, including, without limitation, information concerning fees and refund policies, subject matter and learning objectives, procedures and requirements for satisfactory completion, any special requirements with regard to computer hardware and software or other equipment, and instructor and technical support. The sponsor shall make available to students technical support relating to the use of any computer hardware or software, or other equipment or technology needed to complete the course.

~~{(h)}~~ *(i)* The sponsor of the course shall utilize procedures which reasonably ensure that a student who receives continuing education credit for completing the course actually performed all the work required to complete the course. If the course involves independent study by students, such procedures must include, without limitation, the opportunity for direct contact by the sponsor with the student at the student's home or business via the telephone or electronic mail and a signed statement by the student certifying that he or she personally completed all course work. The sponsor shall retain such signed statements and records of student contact together with all other course records the sponsor must maintain.

2. A sponsor seeking approval of a computer-based distance education course must submit a complete copy of the course to the Division in the medium to be used and, if requested, must make available, at a date and time satisfactory to the Division and at the sponsor's expense, all equipment and software necessary to enable the Division to review the course. In the case of an Internet-based course, the sponsor shall provide the Division with access to the course via the Internet at no charge at a date and time satisfactory to the Division.

3. In determining whether to approve a distance education course pursuant to this section, the Division shall consider whether:

- (a) The course consists of at least ~~{3-hours}~~ *1 hour* of instruction;
- (b) Students are required to complete a written examination proctored by a person acceptable to the Division or using a secure electronic method acceptable to the Division; and
- (c) The course is presented by an accredited college or university that offers distance education in other disciplines, or whether the course design and method of delivery has been accredited by an accrediting agency which accredits distance education and which is approved by the Division. For an accrediting agency to be approved by the Division for the purposes of this paragraph, the accrediting agency must use the following considerations when making its determination on whether to accredit a distance education course:

- (1) The mission statement of the sponsor of the course;
- (2) The minimum design of the course and the procedures for updating the course;
- (3) The interactivity of the instruction with the students;
- (4) Whether the instruction provided in the course teaches mastery of the course material;
- (5) The support services that are available to students;

- (6) The medium through which the course is delivered to students;
- (7) A time study of the range of instructional hours for which a course should be approved or accredited;
- (8) For each module of instruction, whether there is:
 - (I) At least one learning objective for the module of instruction;
 - (II) A structured learning method to enable the student to achieve each such learning objective;
 - (III) A method of assessment of the student's performance during the module of instruction; and
 - (IV) A method of remediation pursuant to which a student who, based on the assessment of his or her performance, is determined to be deficient in his or her mastery of the course material may repeat the module until the student understands the course material; and
- (9) Whether a complete syllabus or student manual, or both, for all courses or programs is provided in written form and includes accurate and clearly stated information about admissions, progression, completion, criteria, dismissal and any applicable licensing requirements.

Sec. 15. NAC 645.4432 is hereby amended to read as follows:

645.4432 1. The sponsor of an approved course:

- (a) Shall not allow a licensee to pass the course by taking an examination without having the required attendance;
- (b) Shall admit authorized personnel of the Division to audit and evaluate the presentation of the course;

(c) Shall notify the Division within 15 days after making any material change in the course;
and

(d) Shall not present a course for the main purpose of selling products and shall limit the announcement of products during the course to not more than 1 minute for each credit hour.

2. The Division's approval of:

(a) A course to meet the educational requirements for an original license;

(b) A course for postlicensing education; and

(c) A course for continuing education,

↪ is effective for 1 year after the original approval or a renewal.

3. The school or 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 school or sponsor does not timely file the application for renewal, the school or sponsor must apply for an original approval.

4. Each approved course and *registered* 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.

5. 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.

6. Each of the following acts and conditions is a ground for the Division 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 645 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 the Commission or 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.

7. 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.

Sec. 16. NAC 645.4434 is hereby amended to read as follows:

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

or after the 30-day period has elapsed, the Administrator shall review the notice and any response submitted by the sponsor and:

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

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

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

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

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

- (a) Affirm the decision of the Administrator to withdraw approval of the course;
- (b) Suspend approval of the course for a limited period and under such conditions as the Commission deems appropriate; or
- (c) Reverse the decision of the Administrator to withdraw approval of the course.

Sec. 17. NAC 645.4438 is hereby amended to read as follows:

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

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

(b) Refrain from engaging in activities which are distracting to other students or the instructor, or which otherwise disrupt the orderly conduct of a class, including, without limitation, the use of cellular telephones, laptop computers, tablet computers or other electronic devices ~~and~~ *that are unrelated to the instruction being provided;*

(c) Except as otherwise provided in subsection 2, be present for the entire course; and

(d) For a student who receives instruction through live instruction in the manner described in subsection 2 of section 3 of this regulation:

(1) Except as otherwise provided in paragraph (c) of subsection 2 and except for predetermined breaks, remain visible to the instructor via video for the entire course;

(2) Behave appropriately and pay attention as if the student were attending a course in the same physical location as the instructor who is providing the instruction; and

(3) Refrain from driving, riding in a vehicle, answering phone calls, conversing with persons not involved in the course or engaging in any other activity that is unrelated to the course.

2. *An instructor may allow a student who:*

(a) Arrives not more than 10 minutes after the start of a period of instruction for a course to attend the course and complete the course for credit.

(b) Arrives more than 10 minutes after the start of a period of instruction for a course to attend the course and complete the course without receiving credit.

(c) Receives instruction through live instruction in the manner described in subsection 2 of section 3 of this regulation and who, during the course, becomes disconnected from the classroom for not more than 15 consecutive minutes to continue attending the course and complete the course for credit.

3. An instructor:

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

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

~~13-1~~ **4.** If an instructor denies the award of a certificate of completion to a student, the student may, within 30 days after that denial, file a written request with the Administrator to review the matter. If the written request contains allegations which, if true, would qualify the applicant to receive a certificate of completion and credit for completing the course, the Administrator shall set the matter for an informal hearing before him or her to be conducted as soon as practicable.

Sec. 18. NAC 645.4441 is hereby amended to read as follows:

645.4441 1. If an initial license has been placed on inactive status for a period of less than 2 years and the licensee applies for reinstatement:

(a) If the licensee is required to take a course of postlicensing education pursuant to NAC 645.4442, the licensee must provide the Division with proof of successful completion of the course of postlicensing education.

(b) If the licensee is exempt from the requirement for postlicensing education pursuant to subsection 2 of NAC 645.4442, the licensee must provide the Division with proof of successful completion of the 36 hours of continuing education required pursuant to NAC 645.448, as applicable to the license for which the licensee applies for reinstatement.

2. If an initial license has been placed on inactive status for a period of 2 years or more and the licensee applies for reinstatement of the license:

(a) If the licensee is required to take a course of postlicensing education pursuant to NAC 645.4442, the licensee must provide the Division with proof of successful completion of:

(1) The course of postlicensing education; and

(2) An additional 36 hours of approved courses of continuing education pursuant to NAC 645.448, as applicable to the license for which the licensee applies for reinstatement.

(b) If the licensee is exempt from the requirement for postlicensing education pursuant to subsection 2 of NAC 645.4442, the licensee must provide the Division with proof of successful completion of the 36 hours of continuing education required pursuant to NAC 645.448, as applicable to the license for which the licensee applies for reinstatement.

3. If a license has been placed on inactive status after the renewal of the initial license and the licensee applies for reinstatement of the license, no part of which was during the initial license period, the licensee must provide the Division with proof of successful completion of at

least 36 hours of approved courses of continuing education pursuant to NAC 645.448, as applicable to the license for which the licensee applies for reinstatement.

4. Each course of continuing education and course of postlicensing education that is used to meet the requirements of this section must be completed within the 2 years immediately preceding the date of application for reinstatement of the license.

5. At least 50 percent of the total hours of continuing education required by this section must be taken through live instruction . ~~{in which the licensee and the instructor are in the same room, except that a licensee who lives in a rural area may, with the submission of a prior request on a form prescribed by the Division and the approval of the Division, take the required hours of continuing education in courses of distance education.}~~

Sec. 19. NAC 645.4442 is hereby amended to read as follows:

645.4442 1. Except as otherwise provided in subsection 2, each first-time licensee shall take a prescribed course of postlicensing education that focuses on practical applications of real estate transactions. The course:

- (a) Must not repeat the content of the course work required to meet the educational requirements for an original license;
- (b) Must constitute the education required to be completed by a licensee within the first year immediately after initial licensing pursuant to NRS 645.575;
- (c) Must be offered in modules;
- (d) Must be provided through live instruction ; ~~{in which the licensee and the instructor are in the same room, except that first-time licensees who live in a rural area may, with the prior~~

~~written approval of the Division, take the postlicensing course as an interactive or televideo course that involves interaction with the instructor and other students;}~~ and

(e) Must provide the Division with proof of completion within the first year immediately after initial licensing.

2. The requirement for postlicensing education set forth in subsection 1 does not apply to a first-time licensee who:

(a) Holds a real estate license issued by another state or territory of the United States, or the District of Columbia, on the date on which the first-time licensee obtains a real estate license issued by the State of Nevada;

(b) Held a license as a real estate broker, real estate broker-salesperson or real estate salesperson issued by the State of Nevada within the 5 years immediately preceding the date on which the first-time licensee obtained a license as a real estate salesperson; or

(c) Is licensed as a real estate broker-salesperson and obtained the qualifications for licensure as a real estate broker-salesperson pursuant to the provisions of subsection 4 of NRS 645.343.

3. The course of postlicensing education may include material that has not previously been approved or allowed for continuing education credit. Courses approved for postlicensing education will not be accepted or approved as a course for continuing education.

4. The curriculum for postlicensing education must contain at least 15 modules that include, without limitation:

(a) Real estate contracts, including the writing and presenting of a purchase agreement and qualifying prospects;

(b) The listing process, market analysis and inspections;

(c) Communication, technology and records management, including time management, goal setting and devising a plan of action;

(d) Buyer representation, including the buyer's brokerage contract, fiduciary duties, disclosures, cooperation between agents and new-home tracts;

(e) Professional conduct, etiquette and ethics;

(f) Advertising, including Regulation Z of the Truth in Lending Act of the Federal Trade Commission issued by the Board of Governors of the Federal Reserve System, 12 C.F.R. Part 226, fair housing, the multiple-listing service, Internet websites and electronic mail;

(g) Proceeds of sale, costs of sale and cost sheets;

(h) Agency relationships;

(i) Land;

(j) Regulatory disclosures, including disclosures required by federal, state and local governments;

(k) Property management, but not the management of common-interest communities;

(l) Escrow, title and closing processes;

(m) Financing;

(n) Negotiation; and

(o) Tax opportunities and liabilities related to the client.

Sec. 20. NAC 645.4444 is hereby amended to read as follows:

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

2. The Division shall not grant retroactive approval for a course in postlicensing education.

3. The Division shall grant credit for a course for postlicensing education if the course meets the requirements set forth in subsection 4 of NAC 645.4442 and the sponsor of the course:

- (a) Certifies the attendance of the licensees who take the course for credit.
- (b) Maintains for at least 4 years a record of attendance which contains the following information with respect to each licensee who has taken the course for credit:
 - (1) The name of the licensee in attendance and the number of his or her license;
 - (2) The title and number of the course;
 - (3) The hours of instruction attended and the dates of attendance by the licensee; and
 - (4) A statement that the licensee has successfully completed the course.
- (c) Ensures that ~~an approved~~ *a registered* instructor presides throughout the course.
- (d) Requires each licensee who takes the course to:
 - (1) Take a closed-book final examination with a proctor present at a location designated by the sponsor in its application for approval filed with the Division and to receive a score of at least 75 percent to pass the course;
 - (2) Prove his or her identity before the licensee is allowed to take any examination; and
 - (3) Complete the entire course to receive credit for taking the course.
- (e) Gives credit for only the number of hours for which the course has been approved by the Division to a licensee who completes the course.
- (f) Publishes a policy for retaking an examination which a licensee has failed.

4. If a course for postlicensing education has been approved, the sponsor of the course shall provide a certificate of completion to the licensee upon his or her completion of the course. The certificate must contain:

- (a) The name of the sponsor;
- (b) The name of the licensee and his or her license number;
- (c) The title of the course and the number of hours for which the course has been approved;
- (d) The dates of instruction;
- (e) The number assigned to the course by the Division and a statement that the course was approved by the Division;
- (f) The signature of the person who is authorized to sign for the sponsor; and
- (g) A statement indicating that the licensee fulfilled the requirements to pass the course.

Sec. 21. NAC 645.448 is hereby amended to read as follows:

645.448 1. Except as otherwise provided in subsection 3 and NAC 645.449, if a real estate salesperson wishes to renew his or her license or reinstate his or her license pursuant to NAC 645.4441 and the real estate salesperson is required to complete continuing education pursuant to that section, the real estate salesperson must:

- (a) Successfully complete at least 36 hours of continuing education, which must include:
 - (1) Agency relationships, 3 hours.
 - (2) Nevada law, 3 hours.
 - (3) Contracts, 6 hours.
 - (4) Ethics, 3 hours.
 - (5) Risk reduction, 3 hours.
 - (6) Any designated areas of continuing education approved by the Division for the remaining 18 hours of instruction.

(b) Provide the Division with proof of completion of the continuing education requirements set forth in paragraph (a) before the end of each 2-year license renewal period.

2. Except as otherwise provided in subsection 3 and NAC 645.449, if a real estate broker or real estate broker-salesperson wishes to renew his or her license or reinstate his or her license pursuant to NAC 645.4441 and the real estate broker or real estate broker-salesperson is required to complete continuing education pursuant to that section, the real estate broker or real estate broker-salesperson must:

(a) Successfully complete at least 36 hours of continuing education, which must include:

(1) Agency relationships, 3 hours.

(2) Nevada law, 3 hours.

(3) Contracts, 6 hours.

(4) Ethics, 3 hours.

(5) Broker management, 6 hours.

(6) Risk reduction, 3 hours.

(7) Any designated areas of continuing education approved by the Division for the remaining 12 hours of instruction.

(b) Provide the Division with proof of completion of the continuing education requirements set forth in paragraph (a) before the end of each 2-year license renewal period.

3. The requirements for continuing education set forth in this section do not apply to the renewal of a license upon the expiration of the initial license.

4. At least 50 percent of the total hours of required continuing education set forth in this section must be taken through live instruction. ~~in which the licensee and the instructor are in the~~

~~same room, except that a licensee who lives in a rural area may, with the submission of a prior request on a form prescribed by the Division and the approval of the Division, complete the required hours of continuing education in courses of distance education if such courses are available.}~~

Sec. 22. NAC 645.450 is hereby amended to read as follows:

645.450 1. A course for continuing education must contain:

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

(b) Information that relates to Nevada laws and regulations relating to real estate transactions in this State.

2. The following areas are acceptable for courses in continuing education:

(a) Ethics of selling real estate;

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

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

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

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

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

- (g) Real estate mathematics;
- (h) The management of real property, including residential and commercial leasing agreements, procedures for accounting and contracts for management;
- (i) The exchange of real property;
- (j) Planning and zoning for land use;
- (k) Real estate securities and syndications;
- (l) Accounting and taxation as applied to real property;
- (m) The development of land, including, without limitation, issues relating to the development or redevelopment of farms and ranches;
- (n) Agency and subjects related to agency;
- (o) The use of calculators and other technologies as applied to the practice of real estate;
- (p) The preparation of real estate contracts;
- (q) Personal development courses, including, without limitation, cross-cultural communications;
- (r) International real estate transactions;
- (s) Antitrust law;
- (t) Issues relating to consumer protection;
- (u) Disclosures required during the sale or lease of real property, including, without limitation, information required pursuant to NRS 116.4103, 116.4109 and 116B.760;
- (v) Commercial real estate;
- (w) Environmental issues, including, without limitation, issues relating to energy and water conservation and environmental responsibility; and

(x) Risk reduction.

3. The Division may, upon application and on behalf of the Commission, approve a course conducted by any other school, professional society or organization if the Division finds that the course meets the standards established by the Commission for continuing education.

4. The following kinds of courses and activities do not meet the standards for continuing education:

(a) A course that is designed to prepare students for examination, commonly known as a “cram course.”

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

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

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

(e) Except as otherwise provided in subsection 3 of NAC 645.456, a course for the development of instructors.

5. The Division, on behalf of the Commission, will not approve more than:

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

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

6. The Division may publish a manual which contains information clarifying the acceptable content areas for an approved course and any procedures relating to the manner in which education is provided pursuant to this chapter.

Sec. 23. NAC 645.455 is hereby amended to read as follows:

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

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

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

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

(b) For a course ~~{of}~~ *taught through live* instruction , ~~{in a classroom.}~~ the sponsor of the course:

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

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

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

(II) The title and number of the course.

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

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

(3) Ensures that ~~an approved~~ *a registered* instructor presides throughout the course.

(c) For a course of distance education ~~H~~ *that is not taught through live instruction*, the sponsor of the course:

(1) Requires each student to:

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

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

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

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

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

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

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

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

(II) The title and number of the course.

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

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

(a) Provide a certificate of completion to the licensee upon his or her completion of the course. The certificate must contain the:

- (1) Name of the sponsor;
- (2) Name of the licensee and his or her license number;
- (3) Number of hours of credit for continuing education for which the course is approved;
- (4) Dates of instruction for a course of instruction in a classroom;
- (5) Date of completion of the course for a course of distance education;
- (6) Title of the course or seminar;
- (7) Number of the course assigned by the Division and a statement that the course was approved by the Division on behalf of the Commission;
- (8) Signature of the person authorized to sign for the sponsor;
- (9) A statement of whether the licensee successfully completed the course if an examination was given; and
- (10) Manner in which instruction for the course was delivered.

(b) Within ~~{3}~~ 4 business days after the completion of an approved course of continuing education, electronically submit to the Division, in a format provided by the Division, a roster which includes the name of each licensee or holder of a permit who successfully completed the course.

(c) Correct any errors in a roster that is electronically submitted pursuant to paragraph (b) not later than 5 business days after being notified of the error by the Division.

5. If the Division, on behalf of the Commission, denies an application for approval of a course of continuing education, the applicant may appeal the decision of the Division by filing an appeal with the Commission not later than 30 days after the date on which the applicant received notification of the denial of the application for approval of the course.

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

- (a) Affirm the decision of the Division to deny the application for approval of the course; or
- (b) Reverse the decision of the Division to deny the application for approval of the course.

Sec. 24. NAC 645.456 is hereby amended to read as follows:

1. The Administrator may designate any course of instruction sponsored by the Division to be delivered to certain areas by means of *live instruction or* distance education ~~in lieu of classroom~~ *which is not live* instruction. The Division may issue credit for continuing education pursuant to NAC 645.450 for any course of instruction delivered pursuant to this subsection.

2. Credits for any course of instruction delivered by means of distance education *which is not live instruction* pursuant to subsection 1 may be applied toward classroom credits to meet the requirements of subsection 4 of NAC 645.448 or subsection 5 of NAC 645.4441.

3. Notwithstanding the provisions of paragraph (e) of subsection 4 of NAC 645.450, the Division shall issue credits for continuing education to attendees of courses for the development of instructors that are sponsored by the Division and are delivered by means of *live instruction or* distance education *which is not live instruction* pursuant to subsection 1.

Sec. 25. NAC 645.695 is hereby amended to read as follows:

645.695 1. The Administrator may require the payment of an administrative fine in an amount not to exceed the amount set forth in this subsection for each violation of the following provisions:

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

	For each Offense
Paragraph (i) of subsection 1 of NRS 645.633	1,000
Subsection 1, 2, 3, 4, 5 or 6 of NRS 645.635.....	500
Subsection 7 or 8 of NRS 645.635.....	1,000
Subsection 3 of NRS 645.660	1,000
NAC 645.455	500
NAC 645.610	500
NAC 645.620	500
NAC 645.627	500
NAC 645.632	500
NAC 645.637	500
NAC 645.640	500
NAC 645.645	500
NAC 645.650	1,000
NAC 645.655	1,000
Subsection 2 of NAC 645.806	1,000
Subsection 3 of NAC 645.806	250
NAC 645.855	2,000

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

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

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

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

Sec. 26. NAC 645.8005 is hereby amended to read as follows:

645.8005 In addition to the requirements set forth in NRS 645.6052 and the regulations adopted pursuant thereto, to obtain a permit pursuant to NRS 645.6052, a person who is designated to engage in property management on behalf of a partnership, corporation, limited-liability company or sole proprietor pursuant to NRS 645.6054 must be a broker or a broker-salesperson with 2 years of full-time active experience *in conducting property management activities as a licensed real estate broker, broker-salesperson or salesperson* within the 4 years immediately preceding the date the person applies for a permit to engage in property management on behalf of a partnership, corporation, limited-liability company or sole proprietor pursuant to NRS 645.6054.

Sec. 27. This regulation is hereby amended by adding thereto the following transitory language which has the force and effect of law but which will not be codified in the Nevada Administrative Code:

Notwithstanding the amendatory provisions of this regulation:

1. A person who, on June 30, 2025, has obtained written approval from the Real Estate Division of the Department of Business and Industry to teach an approved course pursuant to NAC 645.426 and has not had that approval withdrawn pursuant to NAC 645.427:

(a) Shall be deemed to possess an active registration as an instructor issued pursuant to NAC 645.426, as amended by section 11 of this regulation, until December 30, 2025, or until the registration is withdrawn, whichever occurs first;

(b) May, during the period in which the person is deemed to hold an active registration as an instructor pursuant to paragraph (a), teach each course for which the person has obtained written approval on June 30, 2025; and

(c) Must, if the person wishes to teach an approved course on and after January 1, 2025, apply for and obtain a registration as an instructor in the manner set forth in NAC 645.426, as amended by section 11 of this regulation.

2. A sponsor of an approved course:

(a) May allow a person who, on June 30, 2025, has obtained written approval from the Division to teach the approved course pursuant to NAC 645.426, has not had that approval withdrawn pursuant to NAC 645.427 and who is authorized to teach the approved course pursuant to subsection 1, to teach and be listed as an instructor of the approved course until December 30, 2025, without submitting a course affiliation request pursuant to NAC 645.426, as amended by section 11 of this regulation; and

(b) Must, if the sponsor wishes to continue to allow a person described in paragraph (a) to continue to teach and be listed as an instructor for the approved course on and after January 1, 2026, submit a course affiliation request concerning the person and obtain notification that the

request has been processed pursuant to NAC 645.426, as amended by section 11 of this regulation.

3. As used in this section, “approved course” has the meaning ascribed to it in NAC 645.013.

Sec. 28. NAC 645.027 is hereby repealed.

Sec. 29. 1. This section and sections 1 to 10, inclusive, 16 to 19, inclusive, 21, 22 and 24 to 28, inclusive, of this regulation become effective on the date on which this regulation is filed with the Secretary of State.

2. Sections 11 to 15, inclusive, 20 and 23 of this regulation become effective on July 1, 2025.

TEXT OF REPEALED SECTION

645.027 “Franchise” defined. (NRS 645.190) “Franchise” means an agreement, whether expressed or implied, oral or written, between two or more persons by which:

1. The holder is granted the right to engage in the business of offering, selling or distributing goods or services under a marketing plan or system prescribed in substantial part by the grantor;

2. The operation of the holder's business pursuant to such a plan or system is substantially associated with the grantor's trademark, service mark, trade name, logotype, advertising or other commercial symbol which identifies the grantor or its affiliate; and
3. The holder is required to pay, directly or indirectly, a fee for this right.

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY
NRS 233B.066
LCB FILE NO R199-22**

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 645.

1. A clear and concise explanation of the need for the adopted regulation.

The onset of new technologies to coordinate and conduct education classes has created a need for regulation regarding these practices. Language is being proposed to define ‘live-instruction’ and ‘classroom’ methods to provide some guidelines for education sponsors. In order to provide education sponsors with more flexibility in scheduling classes, language is being proposed to register instructors which will provide sponsors access to a larger pool of instructors which may increase availability of courses. Regulations are also proposed to increase the time required for sponsors to submit class rosters, which will cut down on errors in submission.

2. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

The Real Estate Commission posted the notice of proposed changes to NAC 645 on the Division’s website, Nevada Public Notice website, Nevada Legislature Administrative Regulation Notices website and sent proposed changes to licensees, organizations, associations, interested parties and businesses related to this profession on November 14, 2022. Along with the proposed changes to NAC 645, a Small Business Impact Survey was posted for small businesses to complete, to explain how the proposed changes will affect their business.

The Division received comments regarding the number of continuing education credits required at each renewal period. A suggestion was made to reduce the number of hours.

The Division received comments in support of the proposed changes to improve the course approval process.

The Division received comments in support of removing continuing education requirements in consideration of additional study materials and/or exams.

The Division received comments in support of virtual classroom instruction as an approved method of instruction.

The Division received comments in support of the live-streaming process to remain as an approved method.

The Division received comments regarding the instructor registration process along with suggestions to modify current forms to reduce paperwork.

The Division received a completed small business impact survey with comments citing better and more strict standards for educators will help improve the industry.

The Division received comments questioning why there is a cost for continuing education courses, especially those taught by former commissioners.

The Division received comments not in favor of the approval of hybrid education platforms. The comment suggested only the approval of classroom and/or live-streaming methods.

The Division received comments in support of the approval of hybrid education platforms, as long as the right rules and procedures are in place.

The Division received comments expressing concern with proposed instructor workshop requirements due to the potential limited availability of schedules by Division staff. A comment was also made to encourage the Division to hold workshops in Northern and Southern Nevada. A comment was also made to suggest a fee for the workshop to improve the quality of information provided. A suggestion was made to reduce the time of discipline from 10 years to 7 years to allow instructors to be eligible.

Regarding the qualifications to become an instructor, the Division received comments with concern that the proposed language makes it more difficult for instructors to be deemed eligible. Comments were received that the level of experience required may not be attainable, as the language requires. The Division received several requests for clarification on the language.

The Division received comments suggesting the addition of email notification as well as US Mail.

The Division received comments asking for clarification of 'material change' updates in course curriculum.

The Division received a comment that the submission of an advanced calendar may be cumbersome for staff and sponsors as the schedules may change. A suggestion was made to create a

The Division received a suggestion that post-licensing curriculum be reviewed for relevance every 3-4 years.

The Division received a suggestion that post-licensing education be required to be completed in 6 months rather than 12 months as currently written.

The Division received a comment concerning whether the Division has sufficient staff to approve classes. A comment was made that a course should not be marketed prior to approval by the Division.

The Division received a suggestion that there be a bank of 20 random questions for the passage of internet continuing education courses. A suggestion was also made to increase the passing rate to 80%.

The Division received a comment in support of the proposed maximum of 25% of pre-recorded material for a live session.

The Commission conducted a second public workshop and adoption hearing on February 20, 2024, with notice of proposed changes to NAC 645 posted on the Division's website, Nevada Public Notice website, Nevada Legislature Administrative Regulation Notices website and sent proposed changes to licensees, organizations, associations, interested parties and businesses related to this profession on January 10, 2024.

The Division received a suggestion that online students be required to be in full view, be seated and pay attention during instruction to receive credit, no distractions of any kind should be allowed.

The Division received comments in support of the proposed language as submitted.

The Division received a small business impact survey citing a negative impact to a small business due to the instructor registration process.

The Division received a comment in support of the proposed instructor workshop. A question was raised about who was teaching the workshop, who is writing the curriculum and what the quality mechanism is for improvement.

The Division received comments suggesting that a monitor be required for classes with 25 or more students to allow the instructor to focus on instructing and not class monitoring.

The Division received comments with concerns of the potential for irregular scheduling of instructor workshops, further delaying registration. The Division also received comments that some associations have their own instructor workshop and would the Division allow those to count towards the requirement.

The Division received comments in support of virtual classroom instruction, especially for those in rural and Northern Nevada.

The Division received comments in opposition to mandatory training for instructors, with concerns that nationally approved instructors, would not want to comply.

The Division received a suggestion that it create a rubric with standardized methods of assessment, to encourage better instructor practice.

The Division received comments asking for clarification between the formal and informal processes of approval for courses.

The Division received a comment that the language would help restrict last minute instructor changes and require more planning.

The Commission conducted an adoption hearing on February 20, 2024. The Commission voted to adopt LCB File No. R199-22.

The Legislative Commission deferred action on LCB File No. R199-22 at the meeting held on June 18, 2024.

The Commission conducted a third public workshop and adoption hearing on August 13, 2024, with notice of proposed changes to NAC 645 posted on the Division's website, Nevada Public Notice website, Nevada Legislature Administrative Regulation Notices website and sent proposed changes to licensees, organizations, associations, interested parties and businesses related to this profession on July 12, 2024.

Interested persons may obtain a copy of the small business impact statement and/or summary of the public response by contacting:

Shareece Bates

Administration Section Manager
Nevada Real Estate Division
3300 W. Sahara Avenue, Suite 350
Las Vegas, NV 89102
SBates@red.nv.gov
702-486-4036

3. The number of persons who:

(a) Attended each hearing:

December 13, 2022: 21 in person (Carson City and Las Vegas) / 50 virtual attendees

February 20, 2024: 27 in person (Carson City and Las Vegas) / 86 virtual attendees

August 13, 2024: 17 in person (Carson City and Las Vegas) / 48 virtual attendees

(b) Testified at each hearing:

December 13, 2022: 9

February 20, 2024: 9

August 13, 2024: 0

(c) **Submitted to the agency written comments:** 8 (December 13, 2022) / 8 (February 20, 2024) / 1 (August 13, 2024)

4. **A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency, is attached as Exhibit A.**

Please see attached.

5. **A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.**

The Real Estate Commission posted the notice of proposed changes to NAC 645 on the Division's website and sent proposed changes to licensees, organizations, associations, interested parties and businesses related to this profession on November 14, 2022, January 10, 2024 and the last notice was posted on July 12, 2024 for the third public workshop and adoption hearing.

6. **If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.**

The proposed regulation was initially adopted on February 20, 2024. The original draft of the proposed regulation was amended after the Division received public comment before, during and after the December 13, 2022, workshop. The amended proposed regulation was presented on February 20, 2024, during the second public workshop where additional public comment was received. The adopted regulation was sent to LCB for revision of the final draft. The Legislative Commission deferred action on the regulation at the June 18, 2024 meeting. A third public workshop was conducted on August 13, 2024. The adoption hearing was conducted August 13, 2024 where the proposed language was adopted.

7. **The estimated economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:**

Business which it is to regulate

(a) Both adverse and beneficial effects:

(I) Adverse effects:

The definitions of Classroom and Live instruction are being expanded. There should be no adverse effect on small businesses as there is no additional cost to the business or a requirement to change their current practices. The regulations are also proposing a monitor be used for classes with more than 5 participants to assist with class monitoring. This may cause a change to how the small business ensures compliance and will require some changes to their current operations. For very small operators offering virtual classes of 5 to 10 students this change may increase the cost of the class offerings. However, most small businesses providing digital learning and hybrid teaching modes have class sizes over 20 students already have monitors to assist in class monitoring. The requirement to register instructors will increase the pool of eligible instructors for a sponsor to choose from. This allows the instructors to then teach courses offered by sponsors for Pre, Post and Continuing education. There should be little to no adverse effect on small businesses as there is no additional cost

associated with business to register for instructor registration. The public should have no adverse effects from any of the changes to the definitions of Classroom and Live instruction, nor the monitoring requirements or instructor registration. The ability of the provider to have assistance during instruction of larger classes, will allow the monitor to assist with technical issues and respond to questions, allowing the instructor to maintain order of the class.

(II) Beneficial effects:

The definition of Classroom is being expanded to include digital platforms and interactive media. The definition of Live instruction is also being expanded to include digital platforms and hybrid teaching modes. The changes to Classroom and Live instruction definitions will significantly benefit education sponsors as this allows them to take their existing courses and offer it in different live and classroom formats. Changes to the instructor registration enables the instructors to receive approved certification by the Division prior to submitted course applications. This will streamline the course approval process and reduce the paperwork submitted with each course approval for the sponsors. The public should benefit from the regulation because sponsors will be able to offer more classes in multiple platforms with their choice of registered instructors, increasing the opportunity for the public to attend courses, especially for those in rural parts of the state.

(b) Both immediate and long-term effects.

(I) Immediate effects:

Based on the changes to classroom and live instruction definitions, the Division anticipates a significant increase in courses submitted for approval and an increase in the number of courses offered in Pre, Post and Continuing Education. Changes to the instructor registration will also increase the number of instructors applying to register with the Division. This will allow a larger pool of qualified instructors for the sponsor to choose from, thereby increasing their ability to advertise and increasing revenue. A more flexible schedule may also attract more students with varied schedules. Less regulation on the sponsor to submit documentation within specific timeframes may also allow the sponsor more time to ensure accurate information is submitted to the Division. The increase in course offerings will greatly benefit the public, giving them more options to choose from. They can now attend virtually or in a classroom and meet the Live instruction requirements allowing more flexibility in scheduling classes. The class information submitted by the sponsors to the Division, will be provided more frequently and more accurately. This will allow Division staff to verify class attendance and participation, providing a timelier application renewal process.

Long-term effects:

These proposed changes will potentially increase the different options for business to provide education to licensees. This should increase the number of businesses in the education space and also attract new business into the industry. An increase in different teaching formats may increase visibility and student participation from licensees throughout the state. A hybrid classroom may contribute to greater shared learning of practices between licensees in rural and urban areas of the state. There are differences in real estate practices in rural and urban areas. The opportunity for students throughout the state to participate in classes together will increase their knowledge of statewide practices.

This may allow some licensees to consider expanding their geographical service area and may improve their business practices. The public will have more protection since Instructors are now registered with the Division and bad actors can be reported to the Division to take action.

8. The estimated cost to the agency for enforcement of the adopted regulation.

No additional estimated costs to the agency for enforcement of LCB File No. R199-22.

9. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other state or government agency regulations that LCB File No. R199-22 duplicates.

10. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

LCB File No. R199-22 does not include any provisions which duplicate or are more stringent than federal, state or local standards.

11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

LCB File No. R199-22 does not establish any new or increased fees.

EXHIBIT A

DECEMBER 13, 2022 – Submitted Public Comment

- Robert Stiles – captrim99@hotmail.com
- Cody Lewis – 8101993@gmail.com
- Robert Dickerson – robert@buylaketahoe.com
- Joe Fitzpatrick – joe@fitzpatrickschool.com
- Georgia Purpura – georgiapurpura@gmail.com
- Neil Schwartz/Tiffany Banks/ April Labrie – tiffany@nvrealtors.org
- Scott Beaudry – broker@universalrealty.com

FEBRUARY 20, 2024 – Submitted Public Comment

- Bob Sateren – bob@loanslv.com
- Debbie Warner – dwarner@gastonwilkerson.com
- Jackie Van Wienen – jackienvegas@gmail.com
- Joe Fitzpatrick – joe@fitzpatrickschool.com
- Lois Harper – loharper11@gmail.com
- Neil Schwartz – neil_lasvegas@yahoo.com
- Cheryl Delehanty – Cheryl.delehanty@cbselectre.com
- Laren Tuey – lnvhomeexpert@gmail.com

AUGUST 13, 2024 – Submitted Public Comment

- NONE

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