

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

LCB File No. R176-18

December 19, 2019

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

AUTHORITY: §§1, 2, 4, 6, 9, 11-15, 19, 20, 25-28 and 43-48, NRS 645C.210; §3, NRS 645C.210, 645C.650, as amended by section 22 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 483, and NRS 645C.680, as amended by section 26 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 487; §5, NRS 645C.210, 645C.330 and 645C.440; §7, NRS 645C.210, 645C.290 and 645C.300; §8, NRS 645C.210, 645C.300 and 645C.450, as amended by section 18 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 482; §10, NRS 645C.210, 645C.320 and 645C.360; §§16, 18 and 21-24, NRS 645C.210 and 645C.330; §17, NRS 645C.210, 645C.330 and 645C.450; §§29-39, NRS 645C.210 and 645C.440; §40, NRS 645C.210 and 645C.650, as amended by section 22 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 483; §41, NRS 645C.210, 645C.650, as amended by section 22 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 483, and NRS 645C.665, as amended by section 24 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 486; §42, NRS 645C.210, 645C.450, as amended by section 18 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 482 and NRS 645C.680, as amended by section 26 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 487.

A REGULATION relating to real estate appraisers; revising provisions governing advertisements by appraisers and appraisal management companies; revising provisions governing applications for registration as an appraisal management company or for a license or certificate as an appraiser; revising the duties of the Commission of Appraisers of Real Estate, the Real Estate Division of the Department of Business and Industry and the Real Estate Administrator; revising provisions governing the examination and education requirements for appraisers; revising provisions governing the supervision of registered interns; revising provisions governing the use of independent contractors by appraisal management companies; establishing record retention requirements for appraisal management companies; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Commission of Appraisers of Real Estate to adopt regulations prescribing the standards for education and experience required for the issuance or reissuance of a certificate or license as an appraiser of real estate. (NRS 645C.210, 654C.330, 645C.440) The Commission is also required to adopt standards for professional conduct. (NRS 645C.210)

Section 2 of this regulation establishes requirements for the advertisements of an appraisal management company. **Section 45** of this regulation revises the requirements for advertisements of persons who hold a certificate or license as an appraiser of real estate.

Section 3 of this regulation sets forth certain conditions under which the Real Estate Division of the Department of Business and Industry may deny an application for registration as an appraisal management company. **Section 47** of this regulation makes a conforming change.

Section 6 of this regulation authorizes the Division to report to certain entities disciplinary action taken by the Commission or the denial of an application for a license or registration.

Section 7 of this regulation repeals a provision making an application form for a license or certificate as an appraiser valid for only 1 year.

Existing law authorizes the Division to change and collect certain fees. (NRS 645C.450, as amended by section 18 of Senate Bill No. 39, Chapter 91, Statutes of Nevada 2019, at page 482) **Section 8** of this regulation sets forth the specific fees the Division will collect.

Existing regulations provide that the Division will only accept the result of an examination taken during the year immediately preceding the date of the application for a license or certificate as an appraiser. (NAC 645C.095) **Section 9** of this regulation provides that the Division will only accept the results of such an examination for 12 months after the date on which the examination results were issued.

Existing regulations provide the circumstances under which the Commission will consider the requirements for the certificate, license, registration or permit issued in another jurisdiction to be substantially equivalent to the requirements of this State. (NAC 645C.103) **Section 10** of this regulation delegates to the Real Estate Administrator the responsibility of determining whether such requirements are substantially equivalent to the requirements of this State.

Section 11 of this regulation removes the authorization for a registered intern to conduct an inspection of property for appraisal under certain circumstances.

Existing regulations require a registered intern to maintain a log for each appraiser who supervises the intern. (NAC 645C.120) **Section 12** of this regulation requires the intern to record certain additional information regarding each appraisal for which the intern is supervised.

Under existing regulations, certain courses designed to provide the education required to obtain a license or certificate as an appraiser, and certain schools and instructors providing such courses, must be approved by the Commission. (NAC 645C.205, 645C.223, 645C.230, 645C.248) **Sections 14, 17, 19 and 24** of this regulation require such courses, schools and instructors to be approved by the Division rather than the Commission. **Sections 5, 13, 15, 16, 18, 23 and 25-27** of this regulation make conforming changes. **Section 20** of this regulation provides a timeline for the Commission to hold a hearing at the request of an instructor whose approval is revoked by the Division.

Section 21 of this regulation removes certain educational requirements for an applicant for a license as a residential appraiser.

Existing regulations require an applicant for a certificate as a residential appraiser to hold a bachelor's degree or higher from an accredited college or university. (NAC 645C.237) **Section 22** of this regulation authorizes an applicant to instead meet certain alternative educational criteria or hold a current license as a residential appraiser issued by another jurisdiction, which the applicant has held for at least 5 years.

Existing regulations require a person who wishes to renew an active registration, license or certificate, or to reinstate a license or certificate that is on inactive status, to complete a minimum number of credit hours of continuing education courses approved by the Commission. (NAC 645C.300) **Section 28** of this regulation requires that such courses be approved by the Real Estate Administrator. **Sections 29-35 and 37-39** of this regulation make conforming changes. **Section 36** of this regulation limits the use of certain instructors in continuing education courses without approval from the Division.

Section 40 of this regulation revises the information which an applicant is required to include in an application for the initial registration of an appraisal management company. **Section 41** of this regulation revises the information which is required to be included in an application for a renewal of the registration of an appraisal management company. **Section 42** of this regulation requires the Division to collect the annual registry fee due to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council at the time an application for the initial issuance or renewal of a registration as an appraisal management company is submitted. **Section 8** of this regulation requires the Division to remit this fee to the Federal Financial Institutions Examinations Council of the Appraisal Subcommittee in accordance with federal law.

Section 43 of this regulation requires an appraisal management company's review process for appraisals conducted by independent contractors to ensure that such appraisals are conducted in accordance with the appraisal independence requirements set forth in federal law.

Existing regulations adopt by reference the 2006 edition of the *Uniform Standards of Professional Appraisal Practice*. (NAC 645C.400) **Section 44** of this regulation adopts by reference the most recent edition of the *Uniform Standards of Professional Appraisal Practice*.

Section 46 of this regulation requires an appraisal management company to retain certain records and revises the record retention requirements for an appraiser.

Section 48 of this regulation repeals certain definitions which are duplicative of existing statutes and a provision of regulations governing the number of contracts with independent contractors that have been entered into by an appraisal management company. **Section 4** of this regulation makes a conforming change.

Section 1. Chapter 645C of NAC is hereby amended by adding thereto the provisions set forth as sections 2 and 3 of this regulation.

Sec. 2. 1. *In any advertisement through which an appraisal management company offers to perform services for which a registration is required by chapter 645C of NRS, the appraisal management company shall disclose:*

(a) The name under which the appraisal management company is registered; and

(b) The name and registration number under which the appraisal management company does business in this State.

2. An appraisal management company shall not publish or cause to be published an advertisement containing any false or misleading information.

Sec. 3. *The Division may deny an application for registration as an appraisal management company submitted pursuant to NRS 645C.650, as amended by section 22 of*

Senate Bill 39, chapter 91, Statutes of Nevada 2019, at page 483, if one or more of the following conditions exist:

- 1. The application is not in the proper form;*
- 2. The proper fees are not enclosed;*
- 3. The accompanying forms are incomplete or otherwise unsatisfactory;*
- 4. The application contains a false statement;*
- 5. The application is deficient in any other respect;*
- 6. An investigation fails to show affirmatively that the applicant possesses the necessary qualifications;*
- 7. The applicant has willfully acted or attempted to act in violation of any provision of chapter 116, 119, 119A, 645, 645A, 645C or 645D of NRS or the regulations adopted pursuant to those chapters, or has willfully aided and abetted another person to act or attempt to act in violation of any provision of those chapters or regulations;*
- 8. The applicant has not met the requirements of NRS 645C.650, as amended by section 22 of Senate Bill 39, chapter 91, Statutes of Nevada 2019, at page 483; or*
- 9. The check or other negotiable instrument used to pay a fee for registration is not honored by the financial institution upon which it was drawn.*

Sec. 4. NAC 645C.005 is hereby amended to read as follows:

645C.005 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC ~~[645C.0055]~~ **645C.006** to 645C.0095, inclusive, have the meanings ascribed to them in those sections.

Sec. 5. NAC 645C.026 is hereby amended to read as follows:

645C.026 On the website created and maintained pursuant to NRS 645C.390, the Division may provide information concerning courses which satisfy the educational requirements, if any, for the issuance of a license, certificate, permit or registration card and courses which satisfy the continuing education requirements set forth in NAC 645C.300 and 645C.302. The information may include, without limitation:

1. The name of each sponsor of a course;
2. Whether a course satisfies the educational requirements for the issuance of a license, permit, certificate or registration card or the continuing education requirements set forth in NAC 645C.300 and 645C.302;
3. Whether the ~~{Commission}~~ *Administrator or Division, as applicable*, has approved a course; and
4. If a course has been approved by the ~~{Commission:}~~ *Administrator or Division:*
 - (a) The course number assigned by the Division;
 - (b) The title of the course and the name of the sponsor of the course;
 - (c) If the course is a course for continuing education, whether the ~~{Commission}~~ *Administrator* has approved the course;
 - (d) The number of hours of credit for which the ~~{Commission}~~ *Administrator or Division, as applicable*, has approved the course; and
 - (e) The manner in which the instruction of the course will be delivered.

Sec. 6. NAC 645C.045 is hereby amended to read as follows:

645C.045 The ~~{Commission}~~ *Division* may report any disciplinary action ~~{it takes}~~ *taken by the Commission* against a licensee or a person registered as an appraisal management company

or any denial of an application for a license or a registration as an appraisal management company to:

1. Any national repository which records disciplinary action taken against licensees;
2. Any agency of another state which regulates appraisal management companies or the practice of the appraisal of real estate; or
3. Any agency or board of the State of Nevada.

Sec. 7. NAC 645C.050 is hereby amended to read as follows:

645C.050 ~~[(1)]~~ The application for a license or certificate as an appraiser provided by the Division requires the following information:

- ~~[(a)]~~ 1. The name of the applicant;
- ~~[(b)]~~ 2. The social security number of the applicant;
- ~~[(c)]~~ 3. One recent photograph of the applicant;
- ~~[(d)]~~ 4. The information required of the applicant pursuant to NRS 645C.290; and
- ~~[(e)]~~ 5. Such other pertinent information as the Division may require.

↪ The application must be accompanied by a completed fingerprint card ~~[(1)]~~.

~~—2.— An application form is valid for only 1 year after the date of filing. The Division may require that a supplemental form be completed by an applicant to ensure that all required information is current.] as required by NRS 645C.300.~~

Sec. 8. NAC 645C.057 is hereby amended to read as follows:

645C.057 1. ~~[(At the time an applicant submits an application for a certificate, license or registration card, the Division shall collect:~~

~~—(a) An application fee; and~~

~~—(b) A fee for the issuance of the certificate, license or registration card specified in the application.]~~ *The Division shall charge and collect the following fees:*

<i>Application for a certificate, license or registration card</i>	<i>\$100</i>
<i>Issuance or renewal of a certificate or license as a residential appraiser</i>	<i>320</i>
<i>Issuance or renewal of a certificate as a general appraiser</i>	<i>420</i>
<i>Issuance of a permit</i>	<i>115</i>
<i>Issuance or renewal of a registration card.....</i>	<i>190</i>
<i>Issuance of a duplicate certificate or license for an additional office</i>	<i>50</i>
<i>Change in the name or location of a business</i>	<i>20</i>
<i>Reinstatement of an inactive certificate or license.....</i>	<i>30</i>
<i>Annual approval of a course of instruction offered in preparation for an initial certificate or license</i>	<i>100</i>
<i>Original approval of a course of instruction offered for continuing education</i>	<i>100</i>
<i>Renewal of approval of a course of instruction offered for continuing education</i>	<i>50</i>

2. The *Division shall collect and remit the annual registry fee to the Federal Financial Institutions Examination Council or to the Appraisal Subcommittee, as appropriate, pursuant to 12 U.S.C. § 3338 and the rules or regulations issued thereunder.*

3. *Any* application fee is nonrefundable. If the Division rejects an application, it shall refund ~~the~~ *any* fee submitted for the issuance of the certificate, license or registration card.

Sec. 9. NAC 645C.095 is hereby amended to read as follows:

645C.095 1. An applicant for a license or certificate as an appraiser who fails an examination may apply for reexamination.

2. The Division ~~[will]~~ *shall* only accept results of an examination ~~[taken during the year immediately preceding the date of the application for a license or certificate.]~~ *for 12 months after the date on which the results of the examination were issued.*

Sec. 10. NAC 645C.103 is hereby amended to read as follows:

645C.103 1. For the purpose of subsection 1 of NRS 645C.360, the ~~[Commission]~~ *Administrator* will consider the requirements for the certificate, license, registration or permit issued in another jurisdiction to be substantially equivalent to the requirements of this State if:

(a) The requirements of the other jurisdiction meet or exceed the requirements adopted by the Appraisal Subcommittee of the Federal Financial Institutions Examination Council; and

(b) The Appraisal Subcommittee of the Federal Financial Institutions Examination Council has not disapproved the regulatory program to which the requirements of the other jurisdiction apply.

2. An applicant for a permit who requests waiver of the examination pursuant to NRS 645C.360 must comply with NRS 645C.330 and:

(a) NAC 645C.235, if the applicant is applying for a permit as a licensed residential appraiser;

(b) NAC 645C.237, if the applicant is applying for a permit as a certified residential appraiser; or

(c) NAC 645C.240, if the applicant is applying for a permit as a certified general appraiser.

3. Before the Administrator may issue a permit, the applicant must affirm, on a form provided by the Division, that he or she has read and understands the provisions of this chapter and chapter 645C of NRS.

Sec. 11. NAC 645C.108 is hereby amended to read as follows:

645C.108 1. A supervisory appraiser must:

- (a) Have been certified as a residential appraiser or general appraiser for at least 3 years before he or she supervises a registered intern;
 - (b) Complete the course of instruction described in NAC 645C.2445 before he or she supervises a registered intern;
 - (c) Be in good standing with the Division;
 - (d) Not have been subject to any disciplinary action within the immediately preceding 3 years that affects the ability of the supervisory appraiser to engage in the practice of appraisal; and
 - (e) Not supervise more than two registered interns at a time.
2. A supervisory appraiser shall personally inspect with a registered intern the first 50 properties assigned to the registered intern for appraisal.

~~{3.—Except as otherwise provided in this subsection, a registered intern who has completed at least 50 appraisals of property to the satisfaction of his or her supervisory appraiser may perform an inspection of property for appraisal which is located within 50 miles of the principal office of his or her supervisory appraiser without the personal supervision of the supervisory appraiser at the site of the property. A supervisory appraiser may submit an application to the Administrator for permission to allow a registered intern to perform inspections of properties for appraisal~~

~~which are located more than 50 miles from the principal office of his or her supervisory appraiser.]~~

Sec. 12. NAC 645C.120 is hereby amended to read as follows:

645C.120 1. The Division will require a verified statement from a supervisory appraiser indicating the extent of experience of any intern associated with him or her in order to determine the extent of experience the registered intern has gained while associated with the supervisory appraiser.

2. The information required by subsection 1 must be reported on a form provided by the Division. The completed form must include:

- (a) The period of association with the supervisory appraiser.
- (b) The average number of hours worked per week for the supervisory appraiser.
- (c) Any other information concerning the activities of the intern which should be considered as contributing towards the experience of the intern while associated with the supervisory appraiser.

3. Each registered intern shall maintain a separate log for each appraiser who supervises the intern.

4. The registered intern shall record in the log for each appraisal:

- (a) The type of property appraised;
- (b) *The date of the appraisal report;*
- (c) The name and address of the client for whom the appraisal was conducted;
- ~~(e)~~ (d) The address of the appraised property; and

~~[(d)]~~ (e) A description of work performed , *the type of appraisal performed, the supervision provided by the supervising appraiser* and the number of hours required to conduct the appraisal.

5. Each page of a log maintained pursuant to this section must include the signature and number of the certificate of the supervisory appraiser.

6. A registered intern who assists in the preparation of an appraisal may obtain a copy of that appraisal.

Sec. 13. NAC 645C.200 is hereby amended to read as follows:

645C.200 For the purposes of NAC 645C.200 to 645C.260, inclusive, “school” includes:

1. The University of Nevada, or any other university or college with the same or an equivalent accreditation.

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

3. Any professional school or college located in this State or in another state which has standards for licensure or certification approved by a real estate appraiser’s commission, a department of education or an equivalent agency of another state.

4. A nationally recognized appraiser’s organization which is a member of The Appraisal Foundation or an organization approved by the ~~[(Commission)]~~ *Division*.

Sec. 14. NAC 645C.205 is hereby amended to read as follows:

645C.205 Before a school offers or conducts a course of instruction designed to fulfill the educational requirements for licensure or certification under chapter 645C of NRS, the school must be approved by the ~~[(Commission)]~~ *Division* unless the school is ~~[(an accredited college or~~

~~university.]~~ *a university, professional school or college described in subsection 1, 2 or 3 of*

NAC 645C.200. The application for approval must be made on a form prescribed by the Division. The application must include, and the ~~[Commission]~~ *Division* may consider, the following information in determining the school's eligibility for approval:

1. The name and address of the school;
2. The type of school and a description of its facilities;
3. The names of the owners of the school, including, if applicable, the name of the business organization which owns the school and the names and addresses of all directors, principals, officers and other persons having interests as owners;
4. A list of the instructors and evidence of their qualifications;
5. A list of the courses to be offered and a topical syllabus for each course;
6. The allotment of time for each subject taught;
7. A proposed schedule of courses for 1 year;
8. The titles, authors and publishers of all required textbooks;
9. A copy of an examination and the correct answer for each question; and
10. A statement of:
 - (a) The purpose of the school;
 - (b) The fees to be charged;
 - (c) The days, times and locations of classes;
 - (d) The number of quizzes and examinations;
 - (e) The grading systems, including the methods of testing and standards of grading;
 - (f) The requirements for attendance; and

(g) The location of the students' records.

Sec. 15. NAC 645C.210 is hereby amended to read as follows:

645C.210 If a school has applied for and received the ~~{Commission's}~~ *Division's* approval to offer courses to meet requirements for licensure or certification under chapter 645C of NRS, the school shall, as a condition of the approval:

1. Maintain a record of each student's attendance and certification in any of those courses.

The records must be maintained for 10 years after the student's enrollment and must be open for inspection by the Division, upon its request, during the school's business hours.

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

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

Sec. 16. NAC 645C.215 is hereby amended to read as follows:

645C.215 1. A school which the ~~{Commission}~~ *Division* has approved to give a course fulfilling the educational requirements for original licensing or certification shall require each student to attend the required number of hours of instruction and pass an examination in the course.

2. The school may certify only the number of hours for which the course has been approved by the ~~{Commission.}~~ *Division*.

3. The completion of a portion of a course is not acceptable to satisfy licensing or certification requirements.

4. As used in this section, an “hour of instruction” means 50 minutes or more. Fifteen hours of instruction equal one semester credit.

Sec. 17. NAC 645C.223 is hereby amended to read as follows:

645C.223 1. A school that is approved by the ~~{Commission}~~ *Division* pursuant to NAC 645C.205 must obtain the ~~{Commission's}~~ *Division's* approval of each course offered or conducted by the school that is designed to fulfill the educational requirements for licensure or certification under chapter 645C of NRS. An application for approval of a course must be submitted to the Division on a form prescribed by the Division ~~{}~~ *and must be accompanied by the applicable fee prescribed by NAC 645C.057.*

2. The ~~{Commission's}~~ *Division's* approval of a course is effective for 1 year. The school must apply annually to renew the approval of the course. The application must be submitted to the Division on a form prescribed by the Division and describe the changes, if any, in the course since its last approval. The application must be received by the Division not less than 30 days before the expiration of the previous approval ~~{}~~ *and must be accompanied by the fee prescribed by NAC 645C.057.*

3. The Division may renew the approval of a course if no changes in the course have occurred since the course was approved by the ~~{Commission.}~~ *Division.*

4. The ~~{Commission's}~~ *Division's* approval of a course is subject to the condition that the Division may audit and evaluate the presentation of the course.

5. Each of the following acts and conditions is a ground for the ~~{Commission}~~ *Division* to withdraw its approval of a course:

(a) Poor quality of the curriculum or instruction, as demonstrated by an evaluation or audit.

(b) Violation of any of the provisions of this chapter.

Sec. 18. NAC 645C.225 is hereby amended to read as follows:

645C.225 A school approved by the ~~[Commission]~~ *Division* shall not make any misrepresentation in its advertising about any course of instruction which it offers to fulfill requirements for licensing or certification under this chapter. Any advertisement must specify that such courses have been approved by the ~~[Commission of Appraisers of Real Estate.]~~ *Real Estate Division of the Department of Business and Industry.*

Sec. 19. NAC 645C.230 is hereby amended to read as follows:

645C.230 1. A school which conducts courses approved by the ~~[Commission]~~ *Division* shall employ as instructors of those courses only persons who possess:

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

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

~~[Commission:]~~ *Division:*

(1) Current experience teaching subjects relating to the appraisal of real estate in the Nevada System of Higher Education or another institution which awards degrees. The person must demonstrate to the satisfaction of the Division the academic training or work experience that qualifies him or her to teach the course.

(2) Five years of full-time experience, other than in a secretarial position, working in a job directly related to the subject taught.

(3) Have a bachelor's degree in the field in which the person is instructing.

(4) Three years of experience teaching the specific subject.

2. Such a school shall limit guest lecturers who are not approved by the ~~Commission~~ *Division* to a total of 10 percent of the instructional hours per approved course. A guest lecturer must be an expert in the subject that he or she teaches.

3. Such a school shall not employ, without the approval of the ~~Commission,~~ *Division*, an instructor who has been subject to discipline by any licensing board or commission within the 5 years immediately preceding the employment, or who has been subject to discipline by the Commission more than twice.

Sec. 20. NAC 645C.232 is hereby amended to read as follows:

645C.232 1. The Division may revoke its approval of a particular instructor who is employed by a school which conducts courses approved by the ~~Commission~~ *Division* if:

(a) Any licensing authority has taken disciplinary action against the instructor; or
(b) After an audit of the course and review of the evaluations of the course, the Division concludes that the instructor is not qualified to instruct the course.

2. The Division shall give the instructor and school written notice that it has revoked the approval of the instructor. The written notice must specify the reason for the revocation.

3. The instructor may appeal the decision of the Division to revoke the approval of the instructor by making a written demand to the Commission for a hearing within 20 calendar days after the instructor receives the written notice pursuant to subsection 2.

4. ~~Within 90 days after receipt of a written demand for such a hearing, the Commission will hold a hearing.]~~ *The Commission will hold the hearing at its next regularly scheduled meeting after the request for a hearing is filed unless the school makes a written request for a*

continuance and that request is granted. The Commission will decide the matter within 90 calendar days after the hearing.

Sec. 21. NAC 645C.235 is hereby amended to read as follows:

645C.235 1. A course of instruction for an applicant for a license as a residential appraiser must:

(a) Consist of at least the following:

(1) Thirty hours of instruction on basic appraisal principles;

(2) Thirty hours of instruction on basic appraisal procedures;

(3) Fifteen hours of instruction in the *National USPAP Course*;

(4) Fifteen hours of instruction on residential market analysis and analysis of the highest and best use of real estate;

(5) Fifteen hours of instruction on valuation of a site and cost approach for a residential appraiser;

(6) Thirty hours of instruction on residential sales comparison and income approaches;

(7) Fifteen hours of instruction on residential report writing and case studies; and

(8) Three hours of instruction on the laws of this State governing appraisals.

(b) Except as otherwise provided in subsection 2, be completed within the 5 years immediately preceding the submission of an application for a license.

2. The Division may allow credit for a course of instruction set forth in subsection 1 that is completed more than 5 years before the submission of an application for a license as a residential appraiser if the course is successfully completed at an accredited college or university.

~~[3.—An applicant for a license as a residential appraiser must:~~

~~—(a) Hold an associate degree or higher from an accredited college or university; or~~
~~—(b) Have earned at least a total of 30 semester credit hours or its equivalent from an accredited college or university.]~~

Sec. 22. NAC 645C.237 is hereby amended to read as follows:

645C.237 1. A course of instruction for an applicant for a certificate as a residential appraiser must:

(a) Consist of at least the following:

(1) Thirty hours of instruction on basic appraisal principles;

(2) Thirty hours of instruction on basic appraisal procedures;

(3) Fifteen hours of instruction in the *National USPAP Course*;

(4) Fifteen hours of instruction on residential market analysis and analysis of the highest and best use of real estate;

(5) Fifteen hours of instruction on residential appraiser valuation of a site and cost approach;

(6) Thirty hours of instruction on residential sales comparison and income approaches;

(7) Fifteen hours of instruction on residential report writing and case studies;

(8) Fifteen hours of instruction on statistics, modeling and finance;

(9) Fifteen hours of instruction on advanced residential applications and case studies;

(10) Three hours of instruction on the laws of this State governing appraisals; and

(11) Twenty hours of instruction in elective courses relating to appraisals.

(b) Except as otherwise provided in subsection 2, be completed within the 5 years immediately preceding the submission of an application for a certificate.

2. The Division may allow credit for a course of instruction set forth in subsection 1 that is completed more than 5 years before the submission of an application for a certificate as a residential appraiser if the course is successfully completed at an accredited college or university.

3. An applicant for a certificate as a residential appraiser must ~~hold a bachelor's degree or higher from an accredited college or university.~~ *meet at least one of the following criteria:*

(a) Holds a bachelor's degree in any field of study.

(b) Holds an associate's degree in a field of study related to the following:

(1) Business administration;

(2) Accounting;

(3) Finance;

(4) Economics; or

(5) Real estate.

(c) Has successfully completed 30 semester hours of college-level courses which must include not less than:

(1) Three semester hours of English composition;

(2) Three semester hours of microeconomics;

(3) Three semester hours of macroeconomics;

(4) Three semester hours of finance;

(5) Three semester hours of algebra, geometry or higher mathematics;

(6) Three semester hours of statistics;

(7) Three semester hours of computer science;

(8) Three semester hours of business or real estate law; and

(9) Two elective courses each consisting of three semester hours in any of the areas listed in this paragraph or in accounting, geography, agricultural economics, business management or real estate.

(d) Has successfully completed at least 30 semester hours of College-Level Examination Program (CLEP) examinations in each of the following areas:

- (1) Three semester hours of college algebra;*
- (2) Six semester hours of college composition;*
- (3) Three semester hours of college composition modular;*
- (4) Six semester hours of college mathematics;*
- (5) Three semester hours of macroeconomics;*
- (6) Three semester hours of microeconomics;*
- (7) Three semester hours of introductory business law; and*
- (8) Three semester hours of information systems.*

(e) Successfully completed any combination of paragraphs (c) and (d) that ensure coverage of all areas and semester hours pursuant to paragraph (c).

4. An applicant is not required to meet the educational requirements set forth in subsection 3 if he or she holds a current license as a residential appraiser issued by another state or territory of the United States or the District of Columbia, has held that license for at least 5 years and is in good standing with the authority which issued the license.

Sec. 23. NAC 645C.245 is hereby amended to read as follows:

645C.245 1. The ~~Commission~~ *Division* may accept a course of instruction designed to fulfill the educational requirements for licensure or certification without the prior approval of the course.

2. To be approved by the ~~Commission~~ *Division*, except as otherwise provided in subsection 3, a course of instruction must consist of at least 15 hours of instruction. The time to take an examination in such a course may be applied toward the 15-hour requirement.

3. The ~~Commission~~ *Division* may approve a course of instruction of less than 15 hours if the course consists of at least 3 hours of instruction concerning the laws of this State governing appraisals. A course consisting of less than 15 hours of instruction may not be applied toward satisfying the minimum hours of academic instruction required by NRS 645C.330.

Sec. 24. NAC 645C.248 is hereby amended to read as follows:

645C.248 1. An application for approval of a distance education course which complies with the provisions of NRS 645C.330 must be submitted to the Division for review . ~~and presentation to the Commission.~~ The application must be made on a form provided by the Division.

2. In determining whether to approve a course pursuant to this section, the ~~Commission~~ *Division* will consider:

(a) Whether the course consists of at least 15 hours of instruction;

(b) Whether the sponsor of the course is willing to ensure that each student enrolled in the course will be required to complete a written examination proctored by a person approved by the Division; and

(c) At least one of the following:

(1) Whether the course is offered by an accredited college or university that offers distance education courses in disciplines other than the appraisal of real property; or

(2) Whether the course is approved by the International Distance Education Certification Center and the Appraiser Qualifications Board of The Appraisal Foundation.

Sec. 25. NAC 645C.250 is hereby amended to read as follows:

645C.250 1. The ~~Commission~~ *Division* will not accept an applicant's completion of a course of a kind which is designed to prepare students for examination, commonly known as a "cram course," to fulfill the educational requirements for an original license or certificate.

2. The following kinds of courses will not be accepted to fulfill units of education which are required for original licensing or certification:

(a) Courses designed to develop or improve clerical, office or business skills that are not related to the appraisal process, including typing, shorthand, the operation of business machines, the use of computers or computer software, improvement of memory or writing letters; or

(b) Business courses in advertising or psychology.

Sec. 26. NAC 645C.255 is hereby amended to read as follows:

645C.255 1. An owner, instructor or affiliate of a school approved by the ~~Commission~~ *Division* or other person associated with the school shall not take an examination for a license or certificate as an appraiser conducted by the Division or its agent unless he or she first submits to the Division:

(a) A written statement that his or her purpose in taking the examination is to fulfill one of the requirements for obtaining a license or certificate; and

(b) A written agreement to apply for a license or certificate upon passing the examination.

2. Such a school or anyone associated with its operation shall not:

(a) Solicit information from any person to discover past questions asked on any such examination; or

(b) Distribute to any person a copy of the questions or otherwise communicate to him or her the questions without the prior written approval of the owner of the copyright to the questions.

Sec. 27. NAC 645C.260 is hereby amended to read as follows:

645C.260 1. Within 15 calendar days after the occurrence of any material change in the school which would affect its approval by the ~~Commission,~~ *Division*, the school shall give the Division written notice of that change.

2. The ~~Commission's~~ *Division's* approval of a school expires 1 year after the date on which it is given. To qualify for a renewal of approval by the ~~Commission,~~ *Division*, a school must, not later than 30 days before the expiration of the approval, submit to the Division:

(a) A written certification, in a form prescribed by the Division, declaring that the school has met all applicable requirements of this chapter; and

(b) A sworn statement, in a form prescribed by the Division, declaring that the information contained in the original application is current or, if it is not current, a list of all material changes.

3. *If the school does not file an application for renewal prior to the expiration of approval, the school must apply for original approval pursuant to NAC 645C.205.*

4. The ~~Commission~~ *Division* may deny renewal of approval to any school that does not meet the standards required by this chapter.

~~[4.]~~ 5. Within 60 calendar days after a decision is made to deny renewal of approval, the Division will send written notice of the decision and the basis for that decision by certified mail to the last known address of the school.

Sec. 28. NAC 645C.300 is hereby amended to read as follows:

645C.300 1. To renew an active registration, license or certificate, the intern, licensee or holder of the certificate must complete at least 30 hours of continuing education in courses approved by the ~~[Commission;]~~ *Administrator*, including, without limitation, at least 7 hours of instruction in the *National USPAP Update Course* within the 2 years immediately preceding the application for renewal.

2. To reinstate a license or certificate which has been placed on inactive status, a person must provide the Division with proof that he or she has met the following requirements for continuing education, including, without limitation:

(a) At least 7 hours of instruction in the *National USPAP Update Course* most recently approved by the ~~[Commission;]~~ *Administrator*;

(b) For a license or certificate that has been placed on inactive status for not more than 2 years, at least 30 hours of instruction in continuing education courses approved by the ~~[Commission;]~~ *Administrator*; and

(c) For a license or certificate that has been placed on inactive status for more than 2 years, at least 15 hours of instruction in continuing education courses approved by the ~~[Commission]~~ *Administrator* for each year of inactive status.

Sec. 29. NAC 645C.302 is hereby amended to read as follows:

645C.302 1. A registered intern must complete, every 2 years, at least 30 hours of courses in continuing education that have been approved by the ~~{Commission}~~ *Administrator* as a condition of the renewal of his or her registration as an intern. Those courses must include, without limitation, at least 7 hours of instruction in a course on the *National USPAP Update Course*.

2. If a registration as an intern is not renewed, the person who held the registration must apply for a new registration as an intern before acting or assuming to act as an intern.

Sec. 30. NAC 645C.303 is hereby amended to read as follows:

645C.303 The Division may allow a registered intern, licensee or holder of a permit or certificate to use the website created and maintained pursuant to NRS 645C.390 to verify information concerning credits for continuing education earned by the registered intern, licensee or holder of a permit or certificate during the current renewal period and the renewal period immediately preceding the current renewal period. The information may include, without limitation:

1. The name of the registered intern, licensee or holder of a permit or certificate and the number of that person's license, permit, certificate or registration card;
2. The title of the course and the name of the sponsor of the course;
3. The course number assigned by the Division;
4. Whether the ~~{Commission}~~ *Administrator* has approved the course;
5. The number of hours of continuing education credit earned by the registered intern, licensee or holder of a permit or certificate for completing a course;

6. The date on which the registered intern, licensee or holder of a permit or certificate completed a course; and

7. The number of hours of continuing education which the ~~{Commission}~~ *Administrator* has approved for the course.

Sec. 31. NAC 645C.305 is hereby amended to read as follows:

645C.305 1. Courses for continuing education must contain:

(a) Current information on appraisal practices which will improve the professional knowledge of the licensee or holder of a certificate and enable him or her to provide better service to the public.

(b) Information that pertains to pertinent state and federal laws and regulations relating to appraisals or appraisal practices.

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

(a) The *USPAP*;

(b) Legislative issues which concern the practice of appraising or licensees or holders of certificates, including, without limitation, pending and recent legislation;

(c) The administration of laws and regulations governing appraisals, including, without limitation, licensing, certification and enforcement;

(d) The relationship of the appraisal report to real estate financing;

(e) The measurement and evaluation of the market for real estate, including, without limitation, evaluations of sites, market data and studies of feasibility;

(f) The development of real property;

- (g) Real estate and appraisal mathematics;
- (h) Nature of value;
- (i) The purpose and use of appraisals;
- (j) Methods of valuation and evaluation;
- (k) Income capitalization;
- (l) Construction;
- (m) Green building; and
- (n) Concessions to sellers.

3. If the sponsor agrees to comply with all other requirements of approval, the ~~Commission~~ *Administrator shall* accept without specific approval any course in appraisal practices or directly related subjects if the course has been previously approved by the ~~Commission.~~ *Administrator.*

Sec. 32. NAC 645C.315 is hereby amended to read as follows:

645C.315 1. An application for approval of a distance education course for continuing education or a course given in Nevada for the continuing education of licensees or holders of certificates must be submitted to the Division for review ~~and presentation to the Commission.~~ *by the Administrator.* The application must be made on a form provided by the Division.

2. The ~~Commission~~ *Administrator* will not give retroactive approval for such a course.

3. In determining whether to approve a course pursuant to this section, the ~~Commission~~ *Administrator* will consider:

- (a) Whether the course consists of at least 2 hours of instruction.

(b) Whether the sponsor of the course is willing to certify to the attendance of licensees and holders of certificates at the course.

(c) Whether the sponsor is willing to maintain for 5 years a record of attendance which contains:

(1) The name of each licensee or holder of a certificate in attendance and the number of his or her license or certificate.

(2) The title and description of the course.

(3) The hours of instruction attended by the licensee or holder of a certificate and the dates of his or her attendance.

(4) A statement or indication whether the licensee or holder of a certificate passed or failed the course, if applicable.

(d) Whether the sponsor of the course is willing to ensure that an approved instructor will preside throughout the course.

(e) In the case of distance education courses:

(1) Whether the licensee or holder of a certificate will be required to complete:

(I) A written examination proctored by an official approved by the ~~{Commission;}~~ *Administrator*; or

(II) If the course does not include such an examination, the course mechanisms required by the ~~{Commission}~~ *Administrator* for accreditation of the course; and

(2) Whether the course is presented by an accredited college or university, has received the approval for college credit through the program of approval of the Appraiser Qualifications Board of The Appraisal Foundation or the International Distance Education Certification Center.

(f) In the case of presentations by videotape, whether the sponsor will provide an approved instructor at the site of the presentation to supplement and control instruction in the course.

(g) Any other criteria that the ~~{Commission}~~ *Administrator* deems appropriate.

4. For all approved courses, the sponsor shall provide a certified copy of the record of completing the course to the licensee or holder of a certificate upon completion of the course.

The Division shall accept the certificate as proof of the licensee's or holder's attendance for the purpose of renewing or reinstating his or her license or certificate. If the course is taken at a university or community college, the proof of attendance must be a certified transcript. The certificate of a sponsor must contain the:

(a) Name of the sponsor;

(b) Name of the licensee or holder of a certificate and his or her license number or certificate number;

(c) Number of hours of credit for continuing education for which the course is approved;

(d) Dates of instruction;

(e) Title of the course or seminar;

(f) Sponsor's number assigned by the Division; and

(g) Signature of the person authorized to sign for the sponsor.

5. The ~~{Commission}~~ *Administrator* may grant approval for courses of continuing education offered by a nationally recognized appraisal organization which is a member of The Appraisal Foundation or an organization approved by the ~~{Commission}~~ *Administrator* without considering a specific application.

Sec. 33. NAC 645C.317 is hereby amended to read as follows:

645C.317 1. Except as otherwise provided in NAC 645C.315 regarding distance education courses, an appraiser may apply to the ~~Commission~~ *Administrator* for the approval of a course of continuing education which is provided out of State if the appraiser has:

- (a) Attended or will attend the course outside Nevada;
- (b) Taken or will take the course within the period prescribed by NRS 645C.430 for the renewal or reinstatement of his or her certificate or license; and
- (c) Submitted an application on a form supplied by the Division accompanied by the applicable application fee for the annual approval of a course of instruction offered for continuing education.

2. Under appropriate circumstances, the ~~Commission~~ *Administrator* may give retroactive approval for a course attended out of State.

3. Except as otherwise provided in subsection 5, approval of a course pursuant to this section applies only to the specific:

- (a) Course described in the application;
- (b) Date on which the course was given; and
- (c) Appraiser who submitted the application.

4. In determining whether to approve a course attended out of State, the ~~Commission~~ *Administrator* will consider:

- (a) Whether the course consists of at least 2 hours of instruction.
- (b) Whether the course meets the standards set forth in NAC 645C.305 and is acceptable under the provisions of NAC 645C.310.
- (c) Any available information regarding the qualifications of the instructor of the course.

(d) The sufficiency of the proof of attendance of the course by the applicant. To obtain credit for attendance of the course, the applicant must attend the required number of hours of instruction and take and pass any examination administered in the course.

(e) Any other criteria that the ~~{Commission}~~ *Administrator* deems appropriate.

5. If the ~~{Commission}~~ *Administrator* approves a specific course based on an initial application by an appraiser pursuant to subsections 1 to 4, inclusive, the ~~{Commission}~~ *Administrator* shall approve an application submitted subsequently by another appraiser who attended the same course if that appraiser submits:

(a) Proof of his or her attendance of the course; and

(b) The applicable application fee for the annual approval of a course of instruction offered for continuing education.

6. If the ~~{Commission}~~ *Administrator* approves a course pursuant to this section, the sponsor of the course:

(a) Is not required to comply with NAC 645C.325.

(b) Shall not advertise that the course has been approved by the ~~{Commission.}~~ *Administrator.*

Sec. 34. NAC 645C.320 is hereby amended to read as follows:

645C.320 1. The approval or reapproval of any course of continuing education by the ~~{Commission}~~ *Administrator* is subject to a condition that the Division may audit the course. The ~~{Commission's}~~ *Administrator's* approval of a course for continuing education is effective for 1 year after the original approval or a reapproval.

2. A sponsor must apply for reapproval on a form provided by the Division and describe on that form any changes in the course. An application for reapproval must be filed at least 2 weeks before the previous approval expires and, if the sponsor does not do so, the sponsor must apply for an original approval.

3. The Division may reapprove a course if no changes in the course have occurred since the course was approved or reapproved.

4. Each of the following acts and conditions is a ground for the ~~{Commission}~~ *Administrator* to withdraw ~~{its}~~ *his or her* approval of a course:

- (a) Poor quality of the curriculum or instruction, as shown by evaluations.
- (b) Violation of any of the provisions of this chapter governing continuing education.

Sec. 35. NAC 645C.326 is hereby amended to read as follows:

645C.326 Not later than 10 days after the completion of a course of continuing education which has been approved by the ~~{Commission,}~~ *Administrator*, the sponsor of the course shall submit electronically to the Division, in a format approved by the Division, the information set forth in NAC 645C.303 for each registered intern, licensee or holder of a permit or certificate who completed the course to earn credit for continuing education.

Sec. 36. NAC 645C.330 is hereby amended to read as follows:

645C.330 1. An instructor of a course for continuing education must possess:

- (a) A good reputation for honesty, integrity and trustworthiness; and
- (b) At least one of the following qualifications, unless granted a special exemption by the

~~{Commission,}~~ *Division:*

- (1) A bachelor's degree in the field in which the person is instructing.

(2) Current experience teaching subjects relating to the appraisal of real estate in the Nevada System of Higher Education or another institution which awards degrees. The person must demonstrate to the satisfaction of the Division the academic training or work experience that qualifies him or her to teach the course of continuing education.

(3) Five years of full-time experience, other than in a secretarial position, working in a job directly related to the subject taught.

(4) Three years of experience teaching the specific subject.

2. An instructor who has been subject to discipline by any licensing board or commission:

(a) Within the last 5 years; or

(b) More than twice,

↪ shall not instruct a course of continuing education without the approval of the ~~Commission~~ *Division*.

3. A sponsor of a course shall limit guest lecturers who are not approved by the ~~Commission~~ *Division* to a total of 10 percent of the instructional hours per approved course. A guest lecturer must be an expert in the subject that he or she teaches.

Sec. 37. NAC 645C.340 is hereby amended to read as follows:

645C.340 1. Any advertising, promotional brochure or form for registration for a course for continuing education must:

(a) Contain, in writing, the policy of the sponsor concerning cancellation and refunds; and

(b) Not contain any misrepresentation or misleading information.

2. All advertising must:

(a) Specify that the course for continuing education has been approved by the ~~Commission;~~ *Administrator;*

(b) Include the number of hours of credit of continuing education for which the course is approved; and

(c) Include the number assigned to the sponsor of the course by the Division.

Sec. 38. NAC 645C.350 is hereby amended to read as follows:

645C.350 The ~~Commission will~~ *Administrator shall not* allow ~~not~~ more than 8 hours of credit per day of instruction for courses of continuing education.

Sec. 39. NAC 645C.355 is hereby amended to read as follows:

645C.355 The ~~Commission will~~ *Administrator shall* grant credit for continuing education, not to exceed 6 hours, to a licensee or holder of a certificate once during each period of licensing or certification if the following conditions are met:

1. The licensee or holder of a certificate attends a *single* meeting of the Commission and the licensee or holder was not participating in or otherwise affiliated with a disciplinary hearing conducted by the Commission;

2. The Commission's meeting lasted at least 2 hours; and

3. The ~~Commission~~ *Division* certifies to the attendance of the licensee or holder of a certificate.

Sec. 40. NAC 645C.377 is hereby amended to read as follows:

645C.377 1. An application for the initial registration of an appraisal management company provided by the Division must include *the requirements pursuant to NRS 645C.650,*

as amended by section 22 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 483, and the following information:

(a) ~~The name, residence address and business address of the applicant.~~

~~(b) The name under which the applicant will conduct business as an appraisal management company.~~

~~(c) The address of the principal office of the applicant.~~

~~(d) The address of each branch office of the applicant.~~

~~(e)~~ If the applicant is a natural person, the social security number of the applicant.

~~(f)~~ (b) If the applicant is not a natural person:

(1) The name, residence address, business address and social security number of each person who will have ~~(an)~~ *at least a 10 percent ownership* interest in the applicant as a principal, general partner, director, officer or trustee; and

(2) The name of the qualified employee designated by the applicant.

~~(g)~~ (c) *The number of certified or licensed appraisers in Nevada in the network or panel currently maintained by the appraisal management company and, if applicable, the total number of certified or licensed appraisers nationwide in the network or panel currently maintained by the appraisal management company.*

(d) Such other pertinent information as the Division may require.

2. The application must be accompanied by:

(a) A complete set of the fingerprints of the applicant or, if the applicant is not a natural person, a complete set of the fingerprints of each person who will have ~~(an)~~ *at least a 10 percent ownership* interest in the applicant as a principal, partner, officer, director or trustee, and written

permission authorizing the Division to forward the fingerprints to the Central Repository for Nevada Records of Criminal History for submission to the Federal Bureau of Investigation for its report; or

(b) Written verification, on a form prescribed by the Division, stating that the fingerprints of the applicant were taken and directly forwarded electronically or by another means to the Central Repository and that the applicant has given written permission to the law enforcement agency or other authorized entity taking the fingerprints to submit the fingerprints to the Central Repository for submission to the Federal Bureau of Investigation for a report on the applicant's background.

3. In addition to the information required by subsection 2, the application must be accompanied by the following:

(a) A recent photograph of the applicant or, if the applicant is not a natural person, a recent photograph of each person who will have ~~an~~ *at least a 10 percent ownership* interest in the applicant as a principal, partner, director, officer or trustee.

(b) The certifications required by NRS 645C.650 ~~is~~, *as amended by section 22 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 483.*

(c) The statement required by NRS 645C.655.

(d) If the applicant uses an appraiser fee schedule, a copy of the appraiser fee schedule.

4. As used in this section, "qualified employee" means a natural person who is a principal, general partner, director, officer, manager or registered agent of an appraisal management company and who is designated by the appraisal management company to act on its behalf.

Sec. 41. NAC 645C.379 is hereby amended to read as follows:

645C.379 1. To renew a registration as an appraisal management company, a registrant must submit to the Division:

- (a) An application for renewal furnished by the Division;
- (b) The information required by NRS 645C.665 ~~(b)~~, *as amended by section 24 of Senate Bill No. 39, chapter 91, Statutes of Nevada 2019, at page 486;*
- (c) The information required by NRS 645C.655; and
- (d) The renewal fee required by NAC 645C.381.

2. An application for renewal and the renewal fee must be received by the Division on or before the expiration date of the registration. If the application for renewal and renewal fee are not received by the Division on or before the expiration date of the registration, the registration expires and the person who held the registration must comply with the provisions of NAC 645C.377 in order to obtain a registration.

3. An application for renewal must include updated information, in compliance with NAC 645C.377 for any changes in ownership, including, without limitation, any new person with at least a 10 percent ownership interest.

4. An application for renewal must identify the number of certified or licensed appraisers in Nevada in the network or panel currently maintained by the appraisal management company and, if applicable, the total number of certified or licensed appraisers nationwide in the network or panel currently maintained by the appraisal management company.

Sec. 42. NAC 645C.381 is hereby amended to read as follows:

645C.381 1. At the time an applicant submits an application for the issuance or renewal of a registration as an appraisal management company, the Division shall collect:

(a) For the issuance of an initial registration, a fee of \$2,500 and an additional fee of \$100 for each branch office of the applicant.

(b) For the renewal of a registration, a fee of \$500 and an additional fee of \$100 for each branch office of the applicant.

(c) The annual registry fee due to the Appraisal Subcommittee of the Federal Financial Institutions Examination Council pursuant to 12 U.S.C. § 3338 or any rules or regulations adopted thereunder. The annual registry fee must only be collected from an appraisal management company that oversees a network or panel of more than 15 appraisers in a state, or 25 or more appraisers nationally within a given year. The registry fee is:

(1) For an appraisal management company that has been in existence for more than a year:

(I) Twenty-five dollars multiplied by the number of appraisers working for or contracting with the appraisal management company and who have performed an appraisal in connection with a covered transaction in this State within a given year; or

(II) If the amount of the annual registry fee set forth in sub-subparagraph (I) is adjusted by the Appraisal Subcommittee pursuant to 12 U.S.C. § 3338, the amount of the adjusted fee multiplied by the number of appraisers working for or contracting with such appraisal management company who have performed an appraisal in connection with a covered transaction in this State within a given year.

(2) For an appraisal management company that has been in existence for less than a year:

(I) Twenty-five dollars multiplied by the number of appraisers working for or contracting with such appraisal management company who have performed an appraisal in connection with a covered transaction in this State since the commencement of the business;
or

(II) If the amount of the annual registry fee set forth in sub-subparagraph (I) is adjusted by the Appraisal Subcommittee pursuant to 12 U.S.C. § 3338, the amount of the adjusted fee multiplied by the number of appraisers working for or contracting with the appraisal management company who have performed an appraisal in connection with a covered transaction in this State since the commencement of the business.

2. The registration fees prescribed by this section are nonrefundable.

Sec. 43. NAC 645C.387 is hereby amended to read as follows:

645C.387 1. An appraisal management company shall establish and maintain a process to review the work of each independent contractor who provides services to the appraisal management company to ensure that those services are conducted in accordance with the *USPAP*.

2. The review process required by this section must include the review of the work of each independent contractor who provides services to the appraisal management company by a person who is a licensed appraiser or certified appraiser in good standing in this State.

3. The review process must ensure that all appraisals are conducted independently as required by the appraisal independence requirements established under section 129 of the Truth in Lending Act, 15 U.S.C. § 1639e, and any regulations thereunder.

4. The review process must ensure that the appraisal management company is selecting an appraiser who has the requisite education, expertise and experience necessary to competently complete the appraisal assignment for the particular market and property type.

Sec. 44. NAC 645C.400 is hereby amended to read as follows:

645C.400 1. The Commission hereby adopts by reference the *most recent edition of the Uniform Standards of Professional Appraisal Practice* adopted by the Appraisal Standards Board of The Appraisal Foundation . ~~[, 2006 edition.]~~ The *Uniform Standards of Professional Appraisal Practice* may be obtained from The Appraisal Foundation, ~~[Distribution Center, P.O. Box 381, Annapolis Junction, Maryland 20701-0381,]~~ *1155 15th Street, NW, Ste. 1111, Washington, D.C. 20005, or at www.appraisalfoundation.org*, for the price of ~~[\$30.]~~ *\$75.*

2. If the publication adopted by reference pursuant to subsection 1 is revised, the Commission will review the revision to determine its suitability for this State. If the Commission determines that the revision is not suitable for this State, the Commission will hold a public hearing to review its determination and give notice of that hearing within 30 days after the date of the publication of the revision. If, after the hearing, the Commission does not revise its determination, the Commission will give notice that the revision is not suitable for this State within 30 days after the hearing. If the Commission does not give such notice, the revision becomes part of the publication adopted by reference pursuant to subsection 1.

Sec. 45. NAC 645C.415 is hereby amended to read as follows:

645C.415 1. In any advertisement through which a licensee or holder of a certificate offers to perform services for which a license or certificate is required by chapter 645C of NRS, he or she shall disclose:

- (a) The name under which he or she is licensed or certified;
- (b) The name under which he or she does business; ~~and~~
- (c) The type of license or certificate he or she holds ~~is~~; *and*
- (d) The license or certificate number he or she holds.*

2. An intern may not advertise solely under his or her own name when acting in the capacity of an intern. All such advertising must be under the direct supervision of and in the name of the supervisory appraiser with whom the intern is associated.

3. Any form of advertisement used by an appraiser may not contain any misrepresentations or misleading information.

4. As used in this section, "advertisement" includes, without limitation:

(a) Any unsolicited printed material media, sales literature, brochures, flyers and any broadcast media made by radio, television or electronic means, including, without limitation, by unsolicited electronic mail, social media and the Internet, billboards and signs; and

(b) Business cards, stationary, forms and other documents used in an appraisal of a real estate transaction.

Sec. 46. NAC 645C.430 is hereby amended to read as follows:

645C.430 1. An appraiser shall keep a copy of the appraisal report, work file and any other pertinent information relating to each appraisal the appraiser conducts for at least 5 years after the completion of the appraisal ~~is~~ *or at least 2 years following any litigation, whichever period expires last.* Only one set of files need be maintained, but the information must be available to all participating appraisers.

2. *An appraisal management company shall keep a copy of the appraisal report provided to the client for at least 5 years after the completion of the appraisal or at least 2 years following any litigation, whichever period expires last.*

3. If a citizen's complaint or a formal complaint is filed, the Division may require an appraiser *or appraisal management company* to maintain all records relating to the complaint until the issue is resolved.

~~[3.]~~ 4. All appraisals conducted by an appraiser must be numbered consecutively or indexed to permit an audit by a representative of the Division.

~~[4.]~~ 5. The appraisal report, work file and other pertinent information relating to an appraisal must be open to inspection and audit by the Division upon its request during its usual business hours, as well as other hours during which the appraiser regularly conducts his or her business.

~~[5.]~~ 6. The appraiser *or appraisal management company* shall give written notice to the Division of the exact location of the appraiser's *or appraisal management company's* records and may not remove them until he or she has delivered a notice which informs the Division of the new location.

Sec. 47. NAC 645C.700 is hereby amended to read as follows:

645C.700 1. The Division may deny any application for a license or certificate ~~[or an application for registration as an appraisal management company]~~ when one or more of the following conditions exist:

- (a) The application is not in the proper form.
- (b) The proper fees are not enclosed.

- (c) The accompanying forms are incomplete or otherwise unsatisfactory.
 - (d) The application contains a false statement.
 - (e) Any other deficiencies appear in the application.
 - (f) An investigation fails to show affirmatively that the applicant possesses the necessary qualifications.
 - (g) The applicant has willfully acted or attempted to act in violation of any provision of chapter 116, 119, 119A, 645, 645A, 645C or 645D of NRS or the regulations adopted pursuant thereto, or has willfully aided and abetted another person to act or attempt to act in violation of any provision of those chapters or regulations.
 - (h) The applicant has had a license or certificate or a registration as an appraisal management company suspended or revoked in another state.
 - (i) The check or other negotiable instrument used in paying a fee for an examination, license or certificate is not honored by the financial institution upon which it was drawn.
2. An applicant whose application is denied by the Division may appeal the denial to the Commission as provided in NRS 645C.370. If the Commission reverses the original decision and determines that the petitioner qualifies for a license or certificate, the application may be accepted as of the date of its original submission and no additional fee will be charged.
- Sec. 48.** NAC 645C.0055, 645C.0065, 645C.0075 and 645C.375 are hereby repealed.

TEXT OF REPEALED SECTIONS

645C.0055 “Administrator” defined. (NRS 645C.210)

“Administrator” means the Real Estate Administrator.

645C.0065 “Commission” defined. (NRS 645C.210)

“Commission” means the Commission of Appraisers of Real Estate.

645C.0075 “Division” defined. (NRS 645C.210)

“Division” means the Real Estate Division of the Department of Business and Industry.

645C.375 Applicability: Assignment of more than nine appraisals annually to independent contractors in this State. (NRS 645C.210, 645C.600)

For the purposes of subsection 2 of NRS 645C.600, an appraisal management company enters into more than nine contracts annually with independent contractors in this State if, pursuant to a contract or contracts, the appraisal management company assigns more than nine appraisals annually to independent contractors in this State.