
ASSEMBLY BILL NO. 475—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Ways and Means

SUMMARY—Revises provisions governing the financial administration of the Real Estate Division of the Department of Business and Industry. (BDR 54-1171)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

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

AN ACT relating to real estate; revising provisions governing the financial administration of the Real Estate Division of the Department of Business and Industry; decreasing and increasing certain fees charged by the Division; revising provisions governing certain licenses issued by the Division; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Under existing law, money collected by the Real Estate Division of the
2 Department of Business and Industry must be deposited in the State General Fund
3 and any money required for the administration of the Division must be legislatively
4 appropriated from the State General Fund in the same manner as all other
5 legislative appropriations. (NRS 116A.220, 119.118, 645.140, 645C.240,
6 645D.140, 645H.350) **Section 1** of this bill creates an Account for Real Estate
7 Administration in the State General Fund to pay for administrative expenses of the
8 Division. **Sections 1, 5-7, 10 and 12** of this bill provide that all money collected by
9 the Division must be credited to the Account for Real Estate Administration and
10 used to pay for administrative expenses of the Division. **Sections 1, 5-7, 10 and 12**
11 also create a reserve within the Account equal to 3 months of budgeted
12 expenditures for the next fiscal year and provide that any surplus in the Account not
13 needed to maintain the reserve must be deposited in the State General Fund.
14 **Section 10** provides that a certain portion of the money collected by the
15 Commission for Common-Interest Communities and Condominium Hotels must
16 also be credited to the Account for Real Estate Administration and used to pay for
17 administrative expenses of the Division.



* A B 4 7 5 *

18 Existing law provides that: (1) the initial period of licensure for an original
19 license as a real estate broker, broker-salesperson or salesperson is 24 months
20 beginning on the first day of the first calendar month after the original license is
21 issued by the Division; and (2) each subsequent period of licensure is 48
22 consecutive months. Existing law also provides that any other licenses issued
23 pursuant to chapter 645 of NRS are issued for a period of 48 consecutive months.
24 (NRS 645.780) **Sections 2 and 3** of this bill reduce the period of initial licensure
25 for a license as a real estate broker, broker-salesperson or salesperson from 24 to 12
26 consecutive months and each subsequent period of licensure from 48 to 24
27 consecutive months. **Section 3** also decreases the period of licensure for other
28 licenses issued by the Division from 48 to 24 consecutive months. **Section 13** of
29 this bill provides that existing licenses issued by the Division before July 1, 2015,
30 do not need to be renewed until the expiration date listed on the license.

31 **Section 4** of this bill reduces the fee for issuance or renewal of a license as a
32 broker, broker-salesperson, salesperson or branch office and the penalty for the late
33 filing of a renewal for such licenses. **Section 4** also increases the fee for
34 reinstatement of a real estate broker license when the licensee fails to give written
35 notice of a change of name or business location and reinstatement of a broker-
36 salesperson or salesperson license when the licensee fails to notify the Division of a
37 change of broker within 30 days after termination by the previous broker.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 **Section 1.** NRS 645.140 is hereby amended to read as follows:
2 645.140 1. *There is hereby created the Account for Real*
3 *Estate Administration in the State General Fund. The*
4 *Administrator shall administer the Account.*

5 2. *All claims against the Account must be paid as other*
6 *claims against the State are paid.*

7 3. *The money deposited in or credited to the Account*
8 *pursuant to this section must be used to defray the costs and*
9 *expenses incurred by the Division in carrying out the provisions of*
10 *this chapter.*

11 4. Except as otherwise provided in this section ~~†~~ and NRS
12 645.314, 645.6058 and 645.842, all ~~fees, penalties and charges~~
13 ~~money~~ received by the Division pursuant to ~~NRS 645.410, 645.660~~
14 ~~and 645.830~~ *this chapter* must be deposited with the State
15 Treasurer for credit to the ~~State General Fund~~ *Account and*
16 *accounted for separately to provide the money authorized for*
17 *expenditure by the Division to carry out the provisions of this*
18 *chapter. At the end of each fiscal year, a reserve must be*
19 *maintained in the Account for Real Estate Administration in the*
20 *amount necessary to operate the Division for 3 months for the*
21 *next fiscal year at the amount legislatively authorized for that*
22 *fiscal year. Any surplus money from the fees collected pursuant to*
23 *this chapter which is not necessary to maintain the reserve must*



1 *be deposited with the State Treasurer for credit to the State*
2 *General Fund.*

3 *5. Except as otherwise provided in NRS 645.6058, the*
4 *Commission and the Division shall deposit any money collected*
5 *from the imposition of any administrative fine or penalty pursuant*
6 *to this chapter with the State Treasurer for credit to the State*
7 *General Fund. The Commission or Division may present a claim*
8 *to the State Board of Examiners for recommendation to the*
9 *Interim Finance Committee if money is required to pay attorney's*
10 *fees or the costs of an investigation, or both.*

11 *6. The fees received by the Division ~~;~~*

12 ~~*(a) From the sale of publications, must be retained by the*~~
13 ~~*Division to pay the costs of printing and distributing publications.*~~

14 ~~*(b) For*~~ *for* examinations ~~*;*~~ must be retained by the Division to
15 pay the costs of the administration of examinations.

16 ~~*;*~~ Any surplus of the fees retained by the Division *for the*
17 *administration of examinations* must be deposited with the State
18 Treasurer for credit to the ~~*State General Fund.*~~

19 ~~*2. Money for the support of the Division must be provided by*~~
20 ~~*direct legislative appropriation, and be paid out on claims as other*~~
21 ~~*claims against the State are paid.*~~

22 ~~*3. Account.*~~

23 *7. Each member of the Commission is entitled to receive:*

24 (a) A salary of not more than \$150 per day, as fixed by the
25 Commission, while engaged in the business of the Commission; and

26 (b) A per diem allowance and travel expenses at a rate fixed by
27 the Commission, while engaged in the business of the Commission.
28 The rate must not exceed the rate provided for state officers and
29 employees generally.

30 ~~*4.;*~~ *8. While engaged in the business of the Commission, each*
31 *employee of the Commission is entitled to receive a per diem*
32 *allowance and travel expenses at a rate fixed by the Commission.*
33 *The rate must not exceed the rate provided for state officers and*
34 *employees generally.*

35 **Sec. 2.** NRS 645.490 is hereby amended to read as follows:

36 645.490 1. Upon satisfactorily passing the written
37 examination and upon complying with all other provisions of law
38 and conditions of this chapter, a license shall thereupon be granted
39 by the Division to the successful applicant therefor as a real estate
40 broker, broker-salesperson or salesperson, and the applicant, upon
41 receiving the license, may conduct the business of a real estate
42 broker, broker-salesperson or salesperson in this State.

43 2. The Division shall issue licenses as a real estate broker,
44 broker-salesperson or salesperson to all applicants who qualify and



1 comply with all provisions of law and all requirements of this
2 chapter.

3 3. Except as otherwise provided in NRS 645.785:

4 (a) An original license as a real estate broker, broker-salesperson
5 or salesperson must be renewed with the Division before the
6 expiration of the initial license period of ~~124~~ 12 consecutive months
7 as prescribed in NRS 645.780; and

8 (b) Thereafter, the license must be renewed with the Division
9 before the expiration of each subsequent license period of ~~148~~ 24
10 consecutive months as prescribed in NRS 645.780.

11 **Sec. 3.** NRS 645.780 is hereby amended to read as follows:

12 645.780 1. Each license issued under the provisions of this
13 chapter expires at midnight on the last day of the last month of the
14 applicable license period for the license.

15 2. The initial license period for an original license as a real
16 estate broker, broker-salesperson or salesperson is a period of ~~124~~
17 12 consecutive months beginning on the first day of the first
18 calendar month after the original license is issued by the Division.
19 Thereafter, each subsequent license period is a period of ~~148~~ 24
20 consecutive months beginning on the first day of the first calendar
21 month after a renewal of the license is issued by the Division for the
22 subsequent license period.

23 3. For all other licenses, the license period is a period of ~~148~~
24 24 consecutive months beginning on the first day of the first
25 calendar month after the license or any renewal of the license is
26 issued by the Division, unless a specific statute:

27 (a) Provides for a different license period; or

28 (b) Expressly authorizes a different license period to be provided
29 for by regulation.

30 4. The Division may:

31 (a) Create and maintain a secure website on the Internet through
32 which each license, permit, certificate or registration issued pursuant
33 to the provisions of this chapter may be renewed; and

34 (b) For each license, permit, certificate or registration renewed
35 through the use of a website created and maintained pursuant to
36 paragraph (a), charge a fee in addition to any other fee provided for
37 pursuant to this chapter which must not exceed the actual cost to the
38 Division for providing that service.

39 **Sec. 4.** NRS 645.830 is hereby amended to read as follows:

40 645.830 1. ~~{The following fees must be charged by and paid~~
41 ~~to the Division:}~~ *Subject to the provisions of this chapter, the*
42 *Division shall collect the following fees at such times and upon*
43 *such conditions as it may provide by regulation:*



1	For each original real estate broker's,	
2	broker-salesperson's or corporate	
3	broker's license	1210 125
4	For each original real estate salesperson's	
5	license.....	170 105
6	For each original branch office license	240 140
7	For real estate education, research and	
8	recovery to be paid at the time an	
9	application for an original license is filed	40
10	For real estate education, research and	
11	recovery to be paid at the time an	
12	application for renewal of a license is	
13	filed	180 60
14	For each renewal of a real estate broker's,	
15	broker-salesperson's or corporate	
16	broker's license	360 200
17	For each renewal of a real estate	
18	salesperson's license	280 180
19	For each renewal of a real estate branch	
20	office license	220 130
21	For each penalty for late filing of a renewal	
22	for a broker's, broker-salesperson's or	
23	corporate broker's license	180 115
24	For each penalty for late filing of a renewal	
25	for a salesperson's license.....	140 95
26	For each change of name or address.....	20
27	For each transfer of a real estate	
28	salesperson's or broker-salesperson's	
29	license and change of association or	
30	employment.....	20
31	For each duplicate license where the original	
32	license is lost or destroyed, and an	
33	affidavit is made thereof.....	20
34	For each change of broker status from	
35	broker to broker-salesperson	20
36	For each change of broker status from	
37	broker-salesperson to broker	40
38	For each reinstatement to active status of an	
39	inactive real estate broker's, broker-	
40	salesperson's or salesperson's license.....	20
41	For each reinstatement of a real estate	
42	broker's license when the licensee fails	
43	to give immediate written notice to the	
44	Division of a change of name or business	
45	location.....	130 60



1 For each reinstatement of a real estate
2 salesperson's or broker-salesperson's
3 license when he or she fails to notify the
4 Division of a change of broker within 30
5 days of termination by previous broker..... ~~§30~~ §60
6 For each original registration of an owner-
7 developer..... 125
8 For each annual renewal of a registration of
9 an owner-developer..... 125
10 For each enlargement of the area of an
11 owner-developer's registration..... 50
12 For each cooperative certificate issued to an
13 out-of-state broker licensee for 1 year or
14 fraction thereof..... 150
15 For each original accreditation of a course of
16 continuing education 100
17 For each renewal of accreditation of a
18 course of continuing education 50
19 For each annual approval of a course of
20 instruction offered in preparation for an
21 original license or permit..... 100
22

23 2. The fees prescribed by this section for courses of instruction
24 offered in preparation for an original license or permit or for courses
25 of continuing education do not apply to:

- 26 (a) Any university, state college or community college of the
27 Nevada System of Higher Education.
28 (b) Any agency of the State.
29 (c) Any regulatory agency of the Federal Government.

30 3. The Commission shall adopt regulations which establish the
31 fees to be charged and collected by the Division to pay the costs of
32 any investigation of a person's background.

33 **Sec. 5.** NRS 645C.240 is hereby amended to read as follows:

34 645C.240 1. Except as otherwise provided in ~~subsections 2~~
35 ~~and 3,~~ *this section*, all ~~fees, penalties and other charges~~ *money*
36 received by the Division pursuant to this chapter must be deposited
37 with the State Treasurer for credit to the ~~State General Fund.~~
38 *Account for Real Estate Administration created by NRS 645.140*
39 *and accounted for separately to provide the money authorized for*
40 *expenditure by the Division to carry out the provisions of this*
41 *chapter. Any surplus money from the fees collected pursuant to*
42 *this chapter which is not necessary to maintain the reserve*
43 *required pursuant to NRS 645.140 must be deposited with the*
44 *State Treasurer for credit to the State General Fund.*



1 2. *The Commission and the Division shall deposit any money*
2 *collected from the imposition of any fine or penalty pursuant to*
3 *this chapter with the State Treasurer for credit to the State*
4 *General Fund. The Commission or Division may present a claim*
5 *to the State Board of Examiners for recommendation to the*
6 *Interim Finance Committee if money is required to pay attorney's*
7 *fees or the costs of an investigation, or both.*

8 3. Fees received by the Division ~~+~~
9 ~~—(a) From the sale of publications, must be retained by the~~
10 ~~Division to pay the costs of printing and distributing publications.~~

11 ~~—(b) For~~ *for* examinations ~~+~~ must be retained by the Division to
12 pay the costs of the administration of examinations.

13 ~~+~~ Any surplus of the fees retained by the Division *for the*
14 *administration of examinations* must be deposited with the State
15 Treasurer for credit to the ~~+~~ *State General Fund.*

16 ~~—3.~~ *Account.*

17 4. The portion of the fees collected by the Division pursuant to
18 NRS 645C.450 for the issuance or renewal of a certificate or license
19 as a residential appraiser or the issuance or renewal of a certificate
20 as a general appraiser which is used for payment of the registry
21 fee to the *Federal* Financial Institutions Examination Council
22 pursuant to 12 U.S.C. § 3338, must be retained by the Division for
23 payment to the *Federal* Financial Institutions Examination Council.

24 ~~[4.—Money for the support of the Division in carrying out the~~
25 ~~provisions of this chapter must be provided by direct legislative~~
26 ~~appropriation and be paid out on claims as other claims against the~~
27 ~~State are paid.]~~

28 **Sec. 6.** NRS 645D.140 is hereby amended to read as follows:

29 645D.140 1. ~~[All fees, penalties and other charges]~~ *Except as*
30 *otherwise provided in this section, all money* received by the
31 Division pursuant to this chapter must be deposited with the State
32 Treasurer for credit to the ~~+~~ *State General Fund.* ~~Account for Real~~
33 ~~Estate Administration created by NRS 645.140 and accounted for~~
34 ~~separately to provide the money authorized for expenditure by the~~
35 ~~Division to carry out the provisions of this chapter. Any surplus~~
36 ~~money from the fees collected pursuant to this chapter which is~~
37 ~~not necessary to maintain the reserve required pursuant to NRS~~
38 ~~645.140 must be deposited with the State Treasurer for credit to~~
39 ~~the State General Fund.~~

40 2. ~~[Money for the support of the Division in carrying out the~~
41 ~~provisions of this chapter must be provided by direct legislative~~
42 ~~appropriation and be paid out on claims as other claims against the~~
43 ~~State are paid.]~~ *The Commission and the Division shall deposit any*
44 *money collected from the imposition of any administrative fine or*
45 *penalty pursuant to this chapter with the State Treasurer for credit*



1 *to the State General Fund. The Commission or Division may*
2 *present a claim to the State Board of Examiners for*
3 *recommendation to the Interim Finance Committee if money is*
4 *required to pay attorney's fees or the costs of an investigation, or*
5 *both.*

6 **Sec. 7.** NRS 645H.350 is hereby amended to read as follows:

7 645H.350 ~~H. All fees and administrative fines.~~ *Except as*
8 *otherwise provided in this section, all money* received by the
9 Division pursuant to this chapter must be deposited with the State
10 Treasurer for credit to the ~~State General Fund.~~

11 ~~2. Money for the support of the Division in carrying out the~~
12 ~~provisions of this chapter must be provided by direct legislative~~
13 ~~appropriation and be paid out on claims as other claims against the~~
14 ~~State are paid.~~ *Account for Real Estate Administration created by*
15 *NRS 645.140 and accounted for separately to provide the money*
16 *authorized for expenditure by the Division to carry out the*
17 *provisions of this chapter. Any surplus money from the fees*
18 *collected pursuant to this chapter which is not necessary to*
19 *maintain the reserve required pursuant to NRS 645.140 must be*
20 *deposited with the State Treasurer for credit to the State General*
21 *Fund.*

22 **Sec. 8.** NRS 116.620 is hereby amended to read as follows:

23 116.620 1. Except as otherwise provided in this section and
24 within the limits of ~~legislative appropriations.~~ *money available for*
25 *this purpose,* the Division may employ experts, attorneys,
26 investigators, consultants and other personnel as are necessary to
27 carry out the provisions of this chapter.

28 2. The Attorney General shall act as the attorney for the
29 Division in all actions and proceedings brought against or by the
30 Division pursuant to the provisions of this chapter.

31 3. The Attorney General shall render to the Commission and
32 the Division opinions upon all questions of law relating to the
33 construction or interpretation of this chapter, or arising in the
34 administration thereof, that may be submitted to the Attorney
35 General by the Commission or the Division.

36 **Sec. 9.** NRS 116A.210 is hereby amended to read as follows:

37 116A.210 1. Except as otherwise provided in this section and
38 within the limits of ~~legislative appropriations.~~ *money available for*
39 *this purpose,* the Division may employ experts, attorneys,
40 investigators, consultants and other personnel as are necessary to
41 carry out the provisions of this chapter.

42 2. The Attorney General shall act as the attorney for the
43 Division in all actions and proceedings brought against or by the
44 Division pursuant to the provisions of this chapter.



1 3. The Attorney General shall render to the Commission and
2 the Division opinions upon all questions of law relating to the
3 construction or interpretation of this chapter, or arising in the
4 administration thereof, that may be submitted to the Attorney
5 General by the Commission or the Division.

6 **Sec. 10.** NRS 116A.220 is hereby amended to read as follows:

7 116A.220 1. Except as otherwise provided in subsection 2,
8 all money received by the Commission, a hearing panel or the
9 Division pursuant to this chapter must be deposited ~~into the~~
10 ~~Account for Common Interest Communities and Condominium~~
11 ~~Hotels created pursuant to NRS 116.630.~~ *with the State Treasurer*
12 *for credit to the Account for Real Estate Administration created by*
13 *NRS 645.140 and accounted for separately to provide the money*
14 *authorized for expenditure by the Division to carry out the*
15 *provisions of this chapter. Any surplus money from the fees*
16 *collected pursuant to this chapter which is not necessary to*
17 *maintain the reserve required pursuant to NRS 645.140 must be*
18 *deposited with the State Treasurer for credit to the State General*
19 *Fund.*

20 2. If the Commission imposes a fine or penalty, the
21 Commission shall deposit the money collected from the imposition
22 of the fine or penalty with the State Treasurer for credit to the State
23 General Fund. If the money is so deposited, the Commission may
24 present a claim to the State Board of Examiners for recommendation
25 to the Interim Finance Committee if money is required to pay
26 attorney's fees or the costs of an investigation, or both.

27 ~~{3. Money for the support of the Commission and Division in~~
28 ~~carrying out the provisions of this chapter must be provided by~~
29 ~~direct legislative appropriation and be paid out on claims as other~~
30 ~~claims against the State are paid.}~~

31 **Sec. 11.** NRS 116B.810 is hereby amended to read as follows:

32 116B.810 1. Except as otherwise provided in this section and
33 within the limits of ~~Legislative appropriations.~~ *money available for*
34 *this purpose,* the Division may employ experts, attorneys,
35 investigators, consultants and other personnel as are necessary to
36 carry out the provisions of this chapter.

37 2. The Attorney General shall act as the attorney for the
38 Division in all actions and proceedings brought against or by the
39 Division pursuant to the provisions of this chapter.

40 3. The Attorney General shall render to the Commission and
41 the Division opinions upon all questions of law relating to the
42 construction or interpretation of this chapter, or arising in the
43 administration thereof, that may be submitted to the Attorney
44 General by the Commission or the Division.



1 **Sec. 12.** NRS 119.118 is hereby amended to read as follows:
2 119.118 ~~[A]]~~ *Except as otherwise provided in NRS 119.150,*
3 *all fees and charges received by the Division ~~[shall]~~ must* be
4 deposited in the ~~[General Fund in the State Treasury. Funds for the~~
5 ~~support of the Division shall be provided by direct legislative~~
6 ~~appropriation, and shall be paid out on claims as other claims~~
7 ~~against the State are paid.]~~ *Account for Real Estate Administration*
8 *created by NRS 645.140 and accounted for separately to provide*
9 *the money authorized for expenditure by the Division to carry out*
10 *the provisions of this chapter. Any surplus money from the fees*
11 *collected pursuant to this chapter which is not necessary to*
12 *maintain the reserve required pursuant to NRS 645.140 must be*
13 *deposited with the State Treasurer for credit to the State General*
14 *Fund.*

15 **Sec. 13.** Notwithstanding the amendatory provisions of
16 sections 2 and 3 of this act, the holder of a license issued or renewed
17 by the Real Estate Division of the Department of Business and
18 Industry pursuant to NRS 645.490 or 645.830 before July 1, 2015, is
19 not required to renew the license until the expiration date set forth
20 on the license.

21 **Sec. 14.** NRS 645C.610 is hereby repealed.

22 **Sec. 15.** This act becomes effective:

- 23 1. Upon passage and approval for the purpose of performing
24 any preparatory administrative tasks or adopting any regulations that
25 are necessary to carry out the provisions of this act; and
26 2. On July 1, 2015, for all other purposes.

TEXT OF REPEALED SECTION

645C.610 Disposition of money collected. If the Commission imposes a fine or a penalty or the Division collects an amount for the registration of an appraisal management company, the Commission or Division, as applicable, shall deposit the amount collected with the State Treasurer for credit to the State General Fund. The Commission may present a claim to the State Board of Examiners for recommendation to the Interim Finance Committee if money is needed to pay an attorney's fee or the cost of an investigation, or both.



