

SENATE BILL NO. 227—SENATOR LEE

MARCH 9, 2011

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions governing the financial administration of the Real Estate Division of the Department of Business and Industry. (BDR 54-982)

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

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

AN ACT relating to state financial administration; creating the Account for Real Estate Administration in the State General Fund; requiring money that is collected from the imposition of certain fees and charges to be deposited into the Account; requiring money in the Account to be used to defray certain costs and expenses of the Real Estate Division of the Department of Business and Industry; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

1 Existing law requires certain fees, penalties and charges that are collected by  
2 the Real Estate Commission, the Commission of Appraisers of Real Estate, the  
3 Real Estate Administrator and the Real Estate Division of the Department of  
4 Business and Industry to be deposited into the State General Fund. (NRS 119.118,  
5 645.140, 645C.240, 645D.140) **Section 1** of this bill creates the Account for Real  
6 Estate Administration in the State General Fund and requires the Administrator to  
7 administer the Account. **Sections 1-3 and 9** of this bill require the Real Estate  
8 Commission, the Commission of Appraisers of Real Estate, the Administrator and  
9 the Division to deposit money that is collected from the imposition of certain fees  
10 and charges into the Account and **sections 1-3** require money that is collected from  
11 the imposition of a fine or penalty be deposited into the State General Fund.  
12 **Sections 1-3 and 9** also require the money in the Account to be used to defray  
13 certain costs and expenses of the Division and require the interest and income  
14 earned on the money and any balance at the end of the fiscal year to be credited to  
15 the Account.



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. *The interest and income earned on the money in the*  
6 *Account and any amount remaining in the Account at the end of a*  
7 *fiscal year, after deducting any applicable charges, must be*  
8 *credited to the Account.*  
9       3. *All claims against the Account must be paid as other*  
10 *claims against the State are paid.*  
11       4. *The money deposited into the Account or credited to the*  
12 *Account pursuant to this section must be used to defray the costs*  
13 *and expenses incurred by the Division in carrying out the*  
14 *provisions of this chapter.*  
15       5. Except as otherwise provided in this section ~~[;]~~ and NRS  
16 645.314, 645.6058 and 645.842, all ~~[fees, penalties and charges]~~  
17 money received by the Division pursuant to ~~[NRS 645.410, 645.660~~  
18 ~~and 645.830]~~ this chapter must be deposited with the State  
19 Treasurer for credit to the ~~[State General Fund.]~~ Account and  
20 accounted for separately.  
21       6. *The Commission and the Division shall deposit any money*  
22 *collected from the imposition of any fine or penalty pursuant to*  
23 *this chapter with the State Treasurer for credit to the State*  
24 *General Fund. If the money is so deposited, the Commission or*  
25 *Division may present a claim to the State Board of Examiners for*  
26 *recommendation to the Interim Finance Committee if money is*  
27 *required to pay attorney's fees or the costs of an investigation, or*  
28 *both.*  
29       7. The fees received by the Division ~~[;~~  
30 ~~(a) From the sale of publications, must be retained by the~~  
31 ~~Division to pay the costs of printing and distributing publications.~~  
32 ~~(b) For]~~ for examinations ~~[;~~ must be retained by the Division to  
33 pay the costs of the administration of examinations.  
34 ~~[;]~~ Any surplus of the fees retained by the Division *for the*  
35 *administration of examinations* must be deposited with the State  
36 Treasurer for credit to the ~~[State General Fund.~~  
37 ~~2. Money for the support of the Division must be provided by~~  
38 ~~direct legislative appropriation, and be paid out on claims as other~~  
39 ~~claims against the State are paid.~~  
40 ~~3.] Account.~~  
41       8. Each member of the Commission is entitled to receive:



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

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

7 ~~[4.]~~ 9. While engaged in the business of the Commission, each  
8 employee of the Commission is entitled to receive a per diem  
9 allowance and travel expenses at a rate fixed by the Commission.  
10 The rate must not exceed the rate provided for state officers and  
11 employees generally.

12 **Sec. 2.** NRS 645C.240 is hereby amended to read as follows:

13 645C.240 1. Except as otherwise provided in ~~[subsections 2~~  
14 ~~and 3.]~~ *this section*, all ~~[fees, penalties and other charges]~~ *money*  
15 received by the Division pursuant to this chapter must be deposited  
16 with the State Treasurer for credit to the ~~[State General Fund.~~

17 ~~—2.]~~ *Account for Real Estate Administration created by NRS*  
18 *645.140 and accounted for separately.*

19 *2. The money deposited into the Account or credited to the*  
20 *Account pursuant to this section must be used to defray the costs*  
21 *and expenses incurred by the Division in carrying out the*  
22 *provisions of this chapter.*

23 *3. The Commission and the Division shall deposit any money*  
24 *collected from the imposition of any fine or penalty pursuant to*  
25 *this chapter with the State Treasurer for credit to the State*  
26 *General Fund. If the money is so deposited, the Commission or*  
27 *Division may present a claim to the State Board of Examiners for*  
28 *recommendation to the Interim Finance Committee if money is*  
29 *required to pay attorney's fees or the costs of an investigation, or*  
30 *both.*

31 *4. Fees received by the Division [;*

32 ~~—(a) From the sale of publications, must be retained by the~~  
33 ~~Division to pay the costs of printing and distributing publications.~~

34 ~~—(b) For]~~ *for* examinations ~~[;~~ must be retained by the Division to  
35 pay the costs of the administration of examinations.

36 ~~[→]~~ Any surplus of the fees retained by the Division *for the*  
37 *administration of examinations* must be deposited with the State  
38 Treasurer for credit to the ~~[State General Fund.~~

39 ~~—3.]~~ *Account.*

40 *5. The portion of the fees collected by the Division pursuant to*  
41 *NRS 645C.450 for the issuance or renewal of a certificate or license*  
42 *as a residential appraiser or the issuance or renewal of a certificate*  
43 *as a general appraiser which is used for payment of the registry fee*  
44 *to the **Federal** Financial Institutions Examination Council pursuant*



1 to 12 U.S.C. § 3338, must be retained by the Division for payment  
2 to the *Federal* Financial Institutions Examination Council.

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

7 **Sec. 3.** NRS 645D.140 is hereby amended to read as follows:

8 645D.140 1. ~~[All fees, penalties and other charges]~~ *Except as*  
9 *otherwise provided in this section, all money* received by the  
10 Division pursuant to this chapter must be deposited with the State  
11 Treasurer for credit to the ~~[State General Fund.~~

12 ~~—2. Money for the support of the Division in carrying out the~~  
13 ~~provisions of this chapter must be provided by direct legislative~~  
14 ~~appropriation and be paid out on claims as other claims against the~~  
15 ~~State are paid.]~~ *Account for Real Estate Administration created by*  
16 *NRS 645.140 and accounted for separately.*

17 2. *The money deposited into the Account or credited to the*  
18 *Account pursuant to this section must be used to defray the costs*  
19 *and expenses incurred by the Division in carrying out the*  
20 *provisions of this chapter.*

21 3. *The Administrator and Division shall deposit any money*  
22 *collected from the imposition of any fine or penalty pursuant to*  
23 *this chapter with the State Treasurer for credit to the State*  
24 *General Fund. If the money is so deposited, the Administrator or*  
25 *Division may present a claim to the State Board of Examiners for*  
26 *recommendation to the Interim Finance Committee if money is*  
27 *required to pay attorney's fees or the costs of an investigation, or*  
28 *both.*

29 **Sec. 4.** NRS 116.620 is hereby amended to read as follows:

30 116.620 1. Except as otherwise provided in this section, ~~[and~~  
31 ~~within the limits of legislative appropriations.]~~ the Division may  
32 employ experts, attorneys, investigators, consultants and other  
33 personnel as are necessary to carry out the provisions of this  
34 chapter.

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

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



1       **Sec. 5.** NRS 116.630 is hereby amended to read as follows:

2       116.630 1. There is hereby created the Account for Common-  
3 Interest Communities and Condominium Hotels in the State General  
4 Fund. The Account must be administered by the Administrator.

5       2. Except as otherwise provided in subsection 3, all money  
6 received by the Commission, a hearing panel or the Division  
7 pursuant to this chapter or chapter *116A or* 116B of NRS, including,  
8 without limitation, the fees collected pursuant to NRS 116.31155 ,  
9 *116A.220* and 116B.620, must be deposited into the Account.

10       3. If the Commission imposes a fine or penalty, the  
11 Commission shall deposit the money collected from the imposition  
12 of the fine or penalty with the State Treasurer for credit to the State  
13 General Fund. If the money is so deposited, the Commission may  
14 present a claim to the State Board of Examiners for recommendation  
15 to the Interim Finance Committee if money is required to pay  
16 attorney's fees or the costs of an investigation, or both.

17       4. The interest and income earned on the money in the  
18 Account, after deducting any applicable charges, must be credited to  
19 the Account.

20       5. The money in the Account must be used ~~{solely}~~ to defray:

21       (a) The costs and expenses of the *Division, the* Commission and  
22 the Office of the Ombudsman; *and*

23       (b) If authorized by the Commission or any regulations adopted  
24 by the Commission, the costs and expenses of subsidizing  
25 proceedings for mediation and arbitration conducted pursuant to  
26 NRS 38.300 to 38.360, inclusive. ~~}; and~~

27 ~~—(c) If authorized by the Legislature or by the Interim Finance~~  
28 ~~Committee if the Legislature is not in session, the costs and~~  
29 ~~expenses of administering the Division.]~~

30       **Sec. 6.** NRS 116A.210 is hereby amended to read as follows:

31       116A.210 1. Except as otherwise provided in this section ,  
32 ~~{and within the limits of legislative appropriations,}~~ the Division  
33 may employ experts, attorneys, investigators, consultants and other  
34 personnel as are necessary to carry out the provisions of this  
35 chapter.

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

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



1 **Sec. 7.** NRS 116A.220 is hereby amended to read as follows:

2 116A.220 1. Except as otherwise provided in subsection 2,  
3 all money received by the Commission, a hearing panel or the  
4 Division pursuant to this chapter must be deposited into the Account  
5 for Common-Interest Communities and Condominium Hotels  
6 created pursuant to NRS 116.630.

7 2. If the Commission imposes a fine or penalty, the  
8 Commission shall deposit the money collected from the imposition  
9 of the fine or penalty with the State Treasurer for credit to the State  
10 General Fund. If the money is so deposited, the Commission may  
11 present a claim to the State Board of Examiners for recommendation  
12 to the Interim Finance Committee if money is required to pay  
13 attorney's fees or the costs of an investigation, or both.

14 ~~3. Money for the support of the Commission and Division in~~  
15 ~~carrying out the provisions of this chapter must be provided by~~  
16 ~~direct legislative appropriation and be paid out on claims as other~~  
17 ~~claims against the State are paid.]~~

18 **Sec. 8.** NRS 116B.810 is hereby amended to read as follows:

19 116B.810 1. Except as otherwise provided in this section ,  
20 ~~[and within the limits of legislative appropriations,]~~ the Division  
21 may employ experts, attorneys, investigators, consultants and other  
22 personnel as are necessary to carry out the provisions of this  
23 chapter.

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

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

32 **Sec. 9.** NRS 119.118 is hereby amended to read as follows:

33 119.118 ~~[A]]~~

34 *1. Except as otherwise provided in NRS 119.150, all fees and*  
35 *charges received by the Division ~~[shall]~~ must be deposited in the*  
36 *~~[General Fund in the State Treasury. Funds for the support of the~~*  
37 *~~Division shall be provided by direct legislative appropriation, and~~*  
38 *~~shall be paid out on claims as other claims against the State are~~*  
39 *~~paid.] Account for Real Estate Administration created by NRS~~*  
40 *645.140 and accounted for separately.*

41 *2. The money deposited into the Account must be used to*  
42 *defray the costs and expenses incurred by the Division in carrying*  
43 *out the provisions of this chapter.*

44 **Sec. 10.** NRS 645C.610 is hereby repealed.



1     **Sec. 11.** This act becomes effective upon passage and approval  
2 for the purpose of adopting any regulations that are necessary to  
3 carry out the provisions of this act and on October 1, 2011, for all  
4 other purposes.

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**TEXT OF REPEALED SECTION**

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**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.

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