

**S.B. 428**

SENATE BILL NO. 428—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE DEPARTMENT OF BUSINESS AND  
INDUSTRY, REAL ESTATE DIVISION)

MARCH 24, 2003

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes regarding certain state agencies that regulate real estate practices and professions. (BDR 54-471)

FISCAL NOTE: Effect on Local Government: Yes.  
Effect on the State: Yes.

~

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

AN ACT relating to real estate; making various changes regarding the powers and duties of the Real Estate Commission, the Real Estate Division of the Department of Business and Industry and the Commission of Appraisers of Real Estate; revising provisions governing the regulation of property managers; authorizing certain agencies to conduct business electronically; authorizing the investigation and audit of certain accounts of a real estate broker; expanding the power of certain agencies to impose fines and penalties for certain unlawful conduct and to deny, suspend and revoke licenses under certain circumstances; increasing certain fees and authorizing certain agencies to establish other fees by regulation; making certain conduct unlawful; providing penalties; and providing other matters properly relating thereto.

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



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

4     **Sec. 2.** *“Designated property manager” means a person who*  
5 *has the qualifications required by section 3 of this act to be a*  
6 *designated property manager and who is appointed as the*  
7 *designated property manager for an office pursuant to section 3 of*  
8 *this act.*

9     **Sec. 3. 1.** *If a real estate broker does not hold a permit to*  
10 *engage in property management but intends to have property*  
11 *management activities conducted at an office, the real estate*  
12 *broker must:*

13     *(a) Appoint a person, who has the qualifications required by*  
14 *this section, as the designated property manager for the office to*  
15 *supervise the property management activities conducted at the*  
16 *office; and*

17     *(b) Submit notice of the appointment to the Division.*

18     **2.** *The designated property manager for an office must be a*  
19 *natural person who:*

20     *(a) Holds a license as a real estate broker or real estate broker-*  
21 *salesman;*

22     *(b) Holds a permit to engage in property management; and*

23     *(c) Has 2 years active experience, within the 4 years*  
24 *immediately preceding the date of the appointment, in conducting*  
25 *property management activities in the United States as a licensed*  
26 *real estate broker, real estate broker-salesman or real estate*  
27 *salesman.*

28     **3.** *While acting as the designated property manager for an*  
29 *office, the person:*

30     *(a) Must comply with the provisions of this section and NRS*  
31 *645.6052 to 645.6058, inclusive, and all other applicable*  
32 *provisions of this chapter; and*

33     *(b) Is subject to all the remedies and penalties provided for in*  
34 *this chapter.*

35     **Sec. 4. 1.** *The Administrator may adopt regulations which*  
36 *establish procedures for the Division to conduct business*  
37 *electronically pursuant to title 59 of NRS with persons who are*  
38 *regulated pursuant to this chapter and with any other persons with*  
39 *whom the Division conducts business. The regulations may*  
40 *include, without limitation, the establishment of fees to pay the*  
41 *costs of conducting business electronically with the Division.*

42     **2.** *In addition to the process authorized by NRS 719.280, if*  
43 *the Division is conducting business electronically with a person*  
44 *and a law requires a signature or record to be notarized,*  
45 *acknowledged, verified or made under oath, the Division may*



1 *allow the person to substitute a declaration that complies with the*  
2 *provisions of NRS 53.045 to satisfy the legal requirement.*

3 *3. The Division may refuse to conduct business electronically*  
4 *with a person who has failed to pay money which the person owes*  
5 *to the Division or the Commission.*

6 **Sec. 5.** *1. The Division may investigate and audit any*  
7 *account of a real estate broker, regardless of whether it is a trust*  
8 *account, if the Division has reasonable cause to believe that the*  
9 *broker is using or has used the account to operate or carry on the*  
10 *broker's business or to deposit money derived from the broker's*  
11 *business and the Division:*

12 *(a) Has reasonable cause to believe or has received a credible*  
13 *complaint that the real estate broker has commingled the money of*  
14 *a client with the money of the real estate broker;*

15 *(b) Has reasonable cause to believe or has received a credible*  
16 *complaint that the real estate broker is insolvent or is in any*  
17 *financial condition or has engaged in any financial practice which*  
18 *creates a substantial risk of insolvency; or*

19 *(c) Determines that the investigation and audit is reasonably*  
20 *necessary to assist the Division in administering or enforcing any*  
21 *other provision of this chapter or any other statute that the*  
22 *Division is charged with administering or enforcing.*

23 *2. The Commission shall adopt regulations prescribing the*  
24 *scope of an audit conducted pursuant to this section.*

25 *3. The Commission may take action pursuant to NRS 645.630*  
26 *against:*

27 *(a) Any real estate broker or other licensee who knowingly*  
28 *fails to cooperate or comply with or knowingly impedes or*  
29 *interferes with any investigation or audit conducted by the*  
30 *Division pursuant to this section; or*

31 *(b) Any real estate broker who is insolvent or who is in any*  
32 *financial condition or has engaged in any financial practice which*  
33 *creates a substantial risk of insolvency.*

34 *4. As used in this section, "insolvent" or "insolvency" means*  
35 *a condition in which a real estate broker is unable to meet the*  
36 *liabilities of the broker's business as those liabilities become due*  
37 *in the regular course of the broker's business.*

38 **Sec. 6.** *In addition to any other remedy or penalty, the*  
39 *Commission or the Division, as appropriate, may:*

40 *1. Refuse to issue a license, permit, certificate or registration*  
41 *to a person who has failed to pay money which the person owes to*  
42 *the Commission or the Division.*

43 *2. Refuse to renew, or suspend or revoke, the license, permit,*  
44 *certificate or registration of a person who has failed to pay money*  
45 *which the person owes to the Commission or the Division.*



1     **Sec. 7. 1.** *In addition to any other remedy or penalty, the*  
2 *Commission may impose an administrative fine against any*  
3 *person who knowingly:*

4     *(a) Engages or offers to engage in any activity for which a*  
5 *license, permit, certificate or registration or any type of*  
6 *authorization is required pursuant to this chapter, or any*  
7 *regulation adopted pursuant thereto, if the person does not hold*  
8 *the required license, permit, certificate or registration or has not*  
9 *been given the required authorization; or*

10    *(b) Assists or offers to assist another person to commit a*  
11 *violation described in paragraph (a).*

12    **2.** *If the Commission imposes an administrative fine against a*  
13 *person pursuant to this section, the amount of the administrative*  
14 *fine may not exceed the amount of any gain or economic benefit*  
15 *that the person derived from the violation or \$5,000, whichever*  
16 *amount is greater.*

17    **3.** *In determining the appropriate amount of the*  
18 *administrative fine, the Commission shall consider:*

19    *(a) The severity of the violation and the degree of any harm*  
20 *that the violation caused to other persons;*

21    *(b) The nature and amount of any gain or economic benefit*  
22 *that the person derived from the violation;*

23    *(c) The person's history or record of other violations; and*

24    *(d) Any other facts or circumstances that the Commission*  
25 *deems to be relevant.*

26    **4.** *Before the Commission may impose the administrative*  
27 *fine, the Commission must provide the person with notice and an*  
28 *opportunity to be heard.*

29    **5.** *The person is entitled to judicial review of the decision of*  
30 *the Commission in the manner provided by chapter 233B of NRS.*

31    **6.** *The provisions of this section do not apply to a person who*  
32 *engages or offers to engage in activities within the purview of this*  
33 *chapter if:*

34    *(a) A specific statute exempts the person from complying with*  
35 *the provisions of this chapter with regard to those activities; and*

36    *(b) The person is acting in accordance with the exemption*  
37 *while engaging or offering to engage in those activities.*

38    **Sec. 8. 1.** *It is unlawful for any person to file with the*  
39 *Administrator, the Division or the Commission any notice,*  
40 *statement, complaint or other document required under the*  
41 *provisions of this chapter which is false or which contains any*  
42 *willful, material misstatement of fact.*

43    **2.** *A person who violates any provision of this section is guilty*  
44 *of a gross misdemeanor.*



1     **Sec. 9.** NRS 645.0005 is hereby amended to read as follows:  
2     645.0005 As used in this chapter, unless the context otherwise  
3 requires, the words and terms defined in NRS 645.001 to 645.040,  
4 inclusive, *and section 2 of this act* have the meanings ascribed to  
5 them in those sections.

6     **Sec. 10.** NRS 645.230 is hereby amended to read as follows:  
7     645.230 1. It is unlawful for any person, limited-liability  
8 company, partnership, association or corporation to engage in the  
9 business of, act in the capacity of, advertise or assume to act as, a:

10     (a) Real estate broker, real estate broker-salesman or real estate  
11 salesman within the State of Nevada without first obtaining the  
12 appropriate license from the Real Estate Division as provided for in  
13 this chapter; ~~or~~

14     (b) Property manager within the State of Nevada without first  
15 obtaining from the Real Estate Division as provided for in this  
16 chapter a license as a real estate broker, real estate broker-salesman  
17 or real estate salesman and a permit to engage in property  
18 management ~~or~~; *or*

19     (c) *Designated property manager within the State of Nevada*  
20 *without complying with the provisions of section 3 of this act.*

21     2. The Real Estate Division may prefer a complaint for a  
22 violation of this section before any court of competent jurisdiction  
23 and may assist in presenting the law or facts upon any trial for a  
24 violation of this section.

25     3. The district attorney of each county shall prosecute all  
26 violations of this section in their respective counties in which  
27 violations occur, unless prosecuted by the Attorney General. Upon  
28 the request of the Administrator, the Attorney General shall  
29 prosecute any violation of this section in lieu of the district attorney.

30     **Sec. 11.** NRS 645.330 is hereby amended to read as follows:

31     645.330 1. Except as otherwise provided by specific statute,  
32 the Division may approve an application for a license for a person  
33 who meets all the following requirements:

34     (a) Has a good reputation for honesty, trustworthiness and  
35 integrity and who offers proof of those qualifications satisfactory to  
36 the Division.

37     (b) Has not made a false statement of material fact on his  
38 application.

39     (c) Is competent to transact the business of a real estate broker,  
40 broker-salesman or salesman in a manner which will safeguard the  
41 interests of the public.

42     (d) Has submitted the statement required pursuant to NRS  
43 645.358 if the person is a natural person.

44     (e) Has passed the examination.

45     2. The Division:



1 (a) May deny a license to any person who has been convicted of  
2 ~~[,]~~ or *has* entered a plea of guilty ~~[, guilty but mentally ill]~~ or nolo  
3 contendere to ~~[, forgery, embezzlement, obtaining money under~~  
4 ~~false pretenses, larceny, extortion, conspiracy to defraud, engaging~~  
5 ~~in a real estate business without a license, possessing for the purpose~~  
6 ~~of sale any controlled substance or]~~ any crime ~~[involving moral~~  
7 ~~turpitude,]~~ in any court of competent jurisdiction in the United  
8 States or elsewhere ~~[, and]~~ *if the crime:*

9 (1) *Was committed in this state and was classified as a*  
10 *gross misdemeanor or felony when it was committed; or*

11 (2) *Was committed in another jurisdiction in the United*  
12 *States or elsewhere and was classified as a gross misdemeanor or*  
13 *felony in the other jurisdiction when it was committed or, in the*  
14 *absence of a comparable classification in the other jurisdiction,*  
15 *would have been substantially equivalent to a gross misdemeanor*  
16 *or felony committed in this state.*

17 (b) Shall not issue a license to such a person until at least 3 years  
18 after:

19 (1) The person pays any fine or restitution ordered by the  
20 court; or

21 (2) The expiration of the period of the person's parole,  
22 probation or sentence,  
23 whichever is later.

24 3. Suspension or revocation of a license pursuant to this  
25 chapter or any prior revocation or current suspension in this or any  
26 other state, district or territory of the United States or any foreign  
27 country within 10 years before the date of the application is grounds  
28 for refusal to grant a license.

29 4. A person may not be licensed as a real estate broker unless  
30 he has been actively engaged as a full-time licensed real estate  
31 broker-salesman or salesman in this state, or actively engaged as a  
32 full-time licensed real estate broker, broker-salesman or salesman in  
33 another state or the District of Columbia, for at least 2 of the 4 years  
34 immediately preceding the issuance of a broker's license.

35 **Sec. 12.** NRS 645.355 is hereby amended to read as follows:

36 645.355 ~~[An]~~

37 1. *Each* applicant for a license as a *real estate* broker, broker-  
38 salesman or salesman ~~[in this state]~~ *must pay a fee for the costs of*  
39 *an investigation of the applicant's background.*

40 2. *Except as otherwise provided in this section, each*  
41 *applicant* must, as part of his application ~~[, be fingerprinted. Each~~  
42 ~~applicant shall,]~~ *and* at his own expense ~~[, and]~~ :

43 (a) *Arrange to have a complete set of his fingerprints taken by*  
44 *a law enforcement agency or other authorized entity acceptable to*



1 *the Division* on a *fingerprint* card provided by *the law enforcement*  
2 *agency or other authorized entity for that purpose; and*

3 (b) *Submit* to the Division ~~[, arrange to be fingerprinted by any~~  
4 ~~police or sheriff's office and shall attach his] the~~ fingerprint card ~~[,~~  
5 ~~after his fingerprints are taken, to his application.] and written~~  
6 *permission authorizing the Division to submit the applicant's*  
7 *fingerprints to the Central Repository for Nevada Records of*  
8 *Criminal History for submission to the Federal Bureau of*  
9 *Investigation for a report on the applicant's background and to*  
10 *such other law enforcement agencies as the Division deems*  
11 *necessary.*

12 3. The Division may ~~[mail]~~ :

13 (a) *Submit* the applicant's ~~[fingerprint card to the Federal~~  
14 ~~Bureau of Investigation, Washington, D.C., for its report,]~~  
15 *fingerprints to the Central Repository for submission to the*  
16 *Federal Bureau of Investigation* and to such other law enforcement  
17 agencies as the Division ~~[may deem necessary.]~~ *deems necessary;*  
18 *and*

19 (b) *Request from each such agency any information regarding*  
20 *the applicant's background as the Division deems necessary.*

21 4. *The Commission may adopt regulations to establish*  
22 *alternative methods for the Division to conduct an investigation of*  
23 *the applicant's background. The Division may use such*  
24 *alternative methods in addition to or in lieu of any investigation of*  
25 *the applicant's background based on the fingerprints of the*  
26 *applicant.*

27 **Sec. 13.** NRS 645.490 is hereby amended to read as follows:

28 645.490 1. Upon satisfactorily passing the written  
29 examination and upon complying with all other provisions of law  
30 and conditions of this chapter, a license shall thereupon be granted  
31 by the Division to the successful applicant therefor as a real estate  
32 broker, broker-salesman or salesman, and the applicant, upon  
33 receiving the license, may conduct the business of a real estate  
34 broker, broker-salesman or salesman in this state.

35 2. The Division shall issue licenses as *a* real estate broker,  
36 broker-salesman or salesman to all applicants who qualify and  
37 comply with all provisions of law and all requirements of this  
38 chapter.

39 3. ~~[A]~~ *Except as otherwise provided in NRS 645.840:*

40 (a) *An original license as a* real estate broker, broker-salesman  
41 or salesman ~~[shall renew his license]~~ *must be renewed* with the  
42 Division ~~[within 1 year immediately after initial licensing and~~  
43 ~~thereafter shall renew his license every 2 years.]~~ *before the*  
44 *expiration of the initial license period of 12 consecutive months as*  
45 *prescribed in NRS 645.780; and*





1       ***(b) Thereafter, the license must be renewed with the Division***  
2 ***before the expiration of each subsequent license period of 24***  
3 ***consecutive months as prescribed in NRS 645.780.***

4       **Sec. 14.** NRS 645.575 is hereby amended to read as follows:

5       645.575 1. The Commission shall ***adopt regulations that***  
6 prescribe ***the*** standards for the continuing education of persons  
7 licensed pursuant to this chapter . ~~By adopting regulations which~~  
8 ~~include:~~ ***Until the Commission adopts such regulations, the***  
9 ***standards for continuing education are as follows:***

10       (a) For renewal of a license which is on active status, a  
11 requirement for the hours of attendance at any approved educational  
12 course, seminar or conference of:

13           (1) Thirty hours within the first year immediately after initial  
14 licensing; and

15           (2) Fifteen hours within each subsequent 2-year period  
16 before renewal.

17 For each period, at least 6 of the hours must be devoted to ethics,  
18 professional conduct or the legal aspects of real estate.

19       (b) For reinstatement of a license which has been placed on  
20 inactive status, a requirement for total attendance at any approved  
21 educational course, seminar or conference of:

22           (1) Thirty hours if the license was on inactive status for 2  
23 years or less during the initial license period;

24           (2) Fifteen hours if the license was on inactive status for a  
25 period of 2 years or less, no part of which was during the initial  
26 license period;

27           (3) Forty-five hours if the license was on inactive status for a  
28 period of more than 2 years, part of which was during the initial  
29 license period; or

30           (4) Thirty hours if the license was on inactive status for a  
31 period of more than 2 years, no part of which was during the initial  
32 license period.

33 For each period, at least 6 of the hours must be devoted to ethics,  
34 professional conduct or the legal aspects of real estate.

35       (c) A basis and method of qualifying educational programs and  
36 certifying attendance which will satisfy the requirements of this  
37 section.

38       (d) A procedure for the evaluation of petitions based on a claim  
39 of equivalency with the requirements of paragraph (a) or (b).

40       (e) A system of controlling and reporting qualifying attendance.

41       (f) A statement of the conditions for which an extension of time  
42 may be granted to comply with the continuing education  
43 requirements as well as a method of applying and qualifying for an  
44 extension.





1       2. The standards prescribed in subsection 1 must permit  
2 alternatives of subject material, taking cognizance of specialized  
3 areas of practice and alternatives in sources of programs considering  
4 availability in area and time. The standards must include, where  
5 qualified, generally accredited educational institutions, private  
6 vocational schools, educational programs and seminars of  
7 professional societies and organizations, other organized educational  
8 programs on technical subjects, or equivalent offerings. The  
9 Commission shall qualify only those educational courses that it  
10 determines address the appropriate subject matter and are given by  
11 an accredited university or community college. Subject to the  
12 provisions of this section, the Commission has exclusive authority  
13 to determine what is an appropriate subject matter for qualification  
14 as a continuing education course.

15       3. *In addition to any other standards for continuing*  
16 *education that the Commission adopts by regulation pursuant to*  
17 *this section, the Commission may, without limitation, adopt by*  
18 *regulation standards for continuing education that:*

19       (a) *Establish a post-licensing curriculum of continuing*  
20 *education which must be completed by a person within the first*  
21 *year immediately after initial licensing of the person.*

22       (b) *Require a person whose license as a real estate broker or*  
23 *real estate broker-salesman has been placed on inactive status for*  
24 *any reason for 1 year or more or has been suspended or revoked to*  
25 *complete a course of instruction in broker management that is*  
26 *designed to fulfill the educational requirements for issuance of a*  
27 *license which are described in paragraph (d) of subsection 2 of*  
28 *NRS 645.343, before the person's license is reissued or reinstated.*

29       4. Except as otherwise provided in this subsection, the license  
30 of a *real estate* broker, broker-salesman or salesman must not be  
31 renewed or reinstated unless the Administrator finds that the  
32 applicant for the renewal license or for reinstatement to active status  
33 has completed the continuing education required by this chapter.  
34 Any amendment or repeal of a regulation does not operate to  
35 prevent an applicant from complying with this section for the next  
36 licensing period following the amendment or repeal.

37       **Sec. 15.** NRS 645.6052 is hereby amended to read as follows:

38       645.6052 1. A person who is licensed pursuant to this chapter  
39 as a real estate broker, real estate broker-salesman or real estate  
40 salesman may apply to the Real Estate Division for a permit to  
41 engage in property management.

42       2. An applicant for a permit must:

43       (a) Furnish proof satisfactory to the Division that he has  
44 successfully completed at least 24 classroom hours of instruction in  
45 property management; and



1 (b) Comply with all other requirements established by the  
2 Commission for the issuance of a permit.

3 3. A permit expires, and may be renewed, at the same time as  
4 the license of the holder of the permit.

5 4. An applicant for the renewal of a permit must:

6 (a) Furnish proof satisfactory to the Division that he has  
7 successfully completed at least 3 of the hours of the continuing  
8 education required for the renewal of his license pursuant to NRS  
9 645.575 in an approved educational course, seminar or conference  
10 concerning property management; and

11 (b) Comply with all other requirements established by the  
12 Commission for the renewal of a permit.

13 5. The Commission may adopt such regulations as it  
14 determines are necessary to carry out the provisions of this section.  
15 The regulations may, without limitation:

16 (a) Establish additional requirements for the issuance or renewal  
17 of a permit.

18 (b) Establish ~~[a fee]~~ *fees* for the issuance and renewal of a  
19 permit ~~[ ]~~ *and fees to pay the costs of:*

20 *(1) Any examination for a permit, including any costs*  
21 *which are necessary for the administration of such an*  
22 *examination.*

23 *(2) Any investigation of an applicant's background.*

24 (c) Set forth standards of education for the approval of a course  
25 of instruction to qualify ~~[a person]~~ *an applicant* for a permit .  
26 ~~[pursuant to this section.]~~

27 **Sec. 16.** NRS 645.6058 is hereby amended to read as follows:

28 645.6058 1. Except as otherwise provided in subsection 3, all  
29 fees, penalties and fines received by the Division pursuant to the  
30 provisions of NRS 645.6052 to 645.6058, inclusive, *and section 3*  
31 *of this act* must be deposited with the State Treasurer for credit to  
32 the Division. The money must be used by the Division for the  
33 administration of the provisions of NRS 645.6052 to 645.6058,  
34 inclusive ~~[ ]~~, *and section 3 of this act.*

35 2. The Division may delegate to a hearing officer or panel its  
36 authority to take any disciplinary action against property managers,  
37 impose and collect fines pursuant to the disciplinary action and  
38 deposit the money with the State Treasurer for credit to the  
39 Division.

40 3. If a hearing officer or panel is not authorized to take  
41 disciplinary action pursuant to subsection 2, the Division shall  
42 deposit the money collected from the imposition of penalties and  
43 fines collected from property managers with the State Treasurer for  
44 credit to the State General Fund. The Division may present a claim  
45 to the State Board of Examiners for recommendation to the Interim



1 Finance Committee if money is needed to pay an attorney's fee or  
2 the costs of an investigation, or both.

3 **Sec. 17.** NRS 645.6065 is hereby amended to read as follows:

4 645.6065 1. Except as otherwise provided in NRS 645.607, a  
5 person shall not act as a qualified intermediary unless he is  
6 registered as such with the Division. The Division may adopt such  
7 regulations as it deems necessary to carry out the provisions of NRS  
8 645.606 to 645.609, inclusive.

9 2. ~~[A person may]~~ *To* apply for registration ~~[by paying to]~~, *a*  
10 *person must pay* the Division a *fee of* \$100 ~~[fee plus the actual cost~~  
11 ~~of a background investigation conducted by the Federal Bureau of~~  
12 ~~Investigation and filing with]~~ *and a fee to pay the costs of an*  
13 *investigation of the person's background.*

14 3. *In addition to the requirements set forth in subsection 2,*  
15 *the person must submit to* the Division:

16 (a) The following information on a form provided by the  
17 Division:

18 (1) The applicant's name, address and telephone number;

19 (2) The name under which the applicant will hold the money  
20 or other property of a client;

21 (3) The names, residence and business addresses of all  
22 persons having an interest in the business as principals, partners,  
23 officers, trustees or directors, specifying the capacity and title of  
24 each;

25 (4) If the applicant is a natural person, the social security  
26 number of the applicant; and

27 (5) The length of time the applicant has been engaged in the  
28 business of acting as such an intermediary; *and*

29 (b) If the person is a natural person, the statement required  
30 pursuant to NRS 645.6068. ~~[; and~~

31 ~~—(c) A card provided by the Division upon which the applicant's~~  
32 ~~fingerprints, taken by an agency of law enforcement, are displayed.~~

33 ~~—3.]~~ 4. *Except as otherwise provided in this section, each*  
34 *applicant must, as part of his application and at his own expense:*

35 (a) *Arrange to have a complete set of his fingerprints taken by*  
36 *a law enforcement agency or other authorized entity acceptable to*  
37 *the Division on a fingerprint card provided by the law enforcement*  
38 *agency or other authorized entity for that purpose; and*

39 (b) *Submit to the Division the completed fingerprint card and*  
40 *written permission authorizing the Division to submit the*  
41 *applicant's fingerprints to the Central Repository for Nevada*  
42 *Records of Criminal History for submission to the Federal Bureau*  
43 *of Investigation for a report on the applicant's background and to*  
44 *such other law enforcement agencies as the Division deems*  
45 *necessary.*



\* S B 4 2 8 \*

1       5. The Division ~~[shall:~~  
2       ~~—(a) Mail the card upon which the applicant's fingerprints are~~  
3       ~~displayed]~~ may:

4       (a) *Submit the applicant's fingerprints to the Central*  
5       *Repository for submission* to the Federal Bureau of Investigation ~~[;]~~  
6       *and to such other law enforcement agencies as the Division deems*  
7       *necessary; and*

8       (b) Request from ~~[the—Bureau]~~ *each* such *agency any*  
9       information regarding the applicant's ~~[criminal history]~~ *background*  
10      as the Division deems necessary.

11      ~~[4.]~~ 6. *The Commission may adopt regulations to establish*  
12      *alternative methods for the Division to conduct an investigation of*  
13      *the applicant's background. The Division may use such*  
14      *alternative methods in addition to or in lieu of any investigation of*  
15      *the applicant's background based on the fingerprints of the*  
16      *applicant.*

17      7. Registration pursuant to this section must be renewed each  
18      year on or before the date of the original registration by providing  
19      the information required by the Division for that purpose and paying  
20      a renewal fee of \$75.

21      **Sec. 18.** NRS 645.780 is hereby amended to read as follows:

22      645.780 ~~[Every]~~

23      1. *Each* license issued under the provisions of this chapter  
24      expires at midnight on the last day of the last month of ~~[a]~~ *the*  
25      *applicable* license period ~~[—A]~~ *for the license.*

26      2. *The initial license period for an original license as a real*  
27      *estate broker, broker-salesman or salesman is a period of 12*  
28      *consecutive months beginning on the first day of the first calendar*  
29      *month after the original license is issued by the Division.*  
30      *Thereafter, each subsequent* license period is a period of 24  
31      consecutive months beginning on the first day of the first calendar  
32      month after a *renewal of the* license is issued ~~[;]~~ *by the Division for*  
33      *the subsequent license period.*

34      3. *For all other licenses, the license period is a period of 24*  
35      *consecutive months beginning on the first day of the first calendar*  
36      *month after the license or any renewal of the license is issued by*  
37      *the Division, unless a specific statute:*

38      (a) *Provides for a different license period; or*

39      (b) *Expressly authorizes a different license period to be*  
40      *provided for by regulation.*

41      **Sec. 19.** NRS 645.830 is hereby amended to read as follows:

42      645.830 1. The following fees must be charged by and paid  
43      to the Division:



1	For each original real estate broker's, broker-	
2	salesman's or corporate broker's license .....	<del>[\$85]</del> \$105
3	For each original real estate salesman's license .....	<del>[65]</del> 85
4	For each original branch office license .....	<del>[100]</del> 120
5	For real estate education, research and recovery	
6	to be paid at the time an <del>[original]</del> application	
7	for <del>[a]</del> <i>an original</i> license is filed .....	<del>[20]</del> 40
8	For real estate education, research and recovery	
9	to be paid at the time an application for <del>[a]</del>	
10	<i>renewal of a</i> license is <del>[renewed]</del> <i>filed</i> .....	40
11	For each renewal of a real estate broker's,	
12	broker-salesman's or corporate broker's license .....	<del>[170]</del> 180
13	For each renewal of a real estate salesman's	
14	license .....	<del>[130]</del> 140
15	For each renewal of a real estate branch office	
16	license .....	<del>[100]</del> 110
17	For each penalty for late filing of a renewal for a	
18	broker's, broker-salesman's or corporate	
19	broker's license .....	<del>[85]</del> 95
20	For each penalty for late filing of a renewal for a	
21	salesman's license .....	<del>[65]</del> 75
22	For each change of name or address .....	<del>[10]</del> 20
23	For each transfer of a real estate salesman's or	
24	broker-salesman's license and change of	
25	association or employment .....	<del>[10]</del> 20
26	For each duplicate license where the original	
27	license is lost or destroyed, and an affidavit is	
28	made thereof .....	<del>[10]</del> 20
29	For each change of <i>broker</i> status from broker to	
30	broker-salesman, <del>[or the reverse]</del> .....	<del>[10]</del> 20
31	<i>For each change of broker status from broker-</i>	
32	<i>salesman to broker</i> .....	40
33	For each reinstatement to active status of an	
34	inactive real estate broker's, broker-salesman's	
35	or salesman's license .....	<del>[10]</del> 20
36	For each reinstatement of a real estate broker's	
37	license when the licensee fails to give immediate	
38	written notice to the Division of a change of	
39	name or business location .....	<del>[20]</del> 30
40	For each reinstatement of a real estate	
41	salesman's or broker-salesman's license when	
42	he fails to notify the Division of a change of	
43	broker within 30 days of termination by previous	
44	broker .....	<del>[20]</del> 30



1	For each original registration of an owner-	
2	developer.....	<del>[100]</del> 125
3	For each annual renewal of a registration of an	
4	owner-developer.....	<del>[100]</del> 125
5	For each enlargement of the area of an owner-	
6	developer's registration.....	<del>[15]</del> 50
7	For each cooperative certificate issued to an out-	
8	of-state broker licensee for 1 year or fraction	
9	thereof .....	<del>[40]</del> 150
10	For each original accreditation of a course of	
11	continuing education .....	<del>[50]</del> 100
12	For each renewal of accreditation of a course of	
13	continuing education .....	<del>[10]</del> 50
14	<i>For each annual approval of a course of</i>	
15	<i>instruction offered in preparation for an</i>	
16	<i>original license or permit.....</i>	100
17		
18	2. The fees prescribed <i>by this section</i> for <i>courses of</i>	
19	<i>instruction offered in preparation for an original license or permit</i>	
20	<i>or for</i> courses of continuing education do not apply to <del>[any]</del> :	
21	(a) <i>Any</i> university or community college of the University and	
22	Community College System of Nevada.	
23	(b) <i>Any agency of the State.</i>	
24	(c) <i>Any regulatory agency of the Federal Government.</i>	
25	3. <i>The Commission shall adopt regulations which establish</i>	
26	<i>the fees to be charged and collected by the Division to pay the</i>	
27	<i>costs of any investigation of a person's background.</i>	
28	Sec. 20. NRS 645.842 is hereby amended to read as follows:	
29	645.842 1. The Real Estate Education, Research and	
30	Recovery Fund is hereby created as a special revenue fund.	
31	2. A balance of not less than \$50,000 must be maintained in the	
32	Fund, to be used for satisfying claims against persons licensed under	
33	this chapter, as provided in NRS 645.841 to 645.8494, inclusive.	
34	Any balance over \$50,000 at the end of any fiscal year must be set	
35	aside and used by the Administrator, after approval of the	
36	Commission, for real estate education and research.	
37	3. <i>The interest and income earned on the money in the Fund,</i>	
38	<i>after deducting any applicable charges, must be credited to the</i>	
39	<i>Fund.</i>	
40	Sec. 21. Chapter 645C of NRS is hereby amended by adding	
41	thereto the provisions set forth as sections 22, 23 and 24 of this act.	
42	Sec. 22. 1. <i>The Administrator may adopt regulations which</i>	
43	<i>establish procedures for the Division to conduct business</i>	
44	<i>electronically pursuant to title 59 of NRS with persons who are</i>	
45	<i>regulated pursuant to this chapter and with any other persons with</i>	



1 *whom the Division conducts business. The regulations may*  
2 *include, without limitation, the establishment of fees to pay the*  
3 *costs of conducting business electronically with the Division.*

4 *2. In addition to the process authorized by NRS 719.280, if*  
5 *the Division is conducting business electronically with a person*  
6 *and a law requires a signature or record to be notarized,*  
7 *acknowledged, verified or made under oath, the Division may*  
8 *allow the person to substitute a declaration that complies with the*  
9 *provisions of NRS 53.045 to satisfy the legal requirement.*

10 *3. The Division may refuse to conduct business electronically*  
11 *with a person who has failed to pay money which the person owes*  
12 *to the Division or the Commission.*

13 **Sec. 23.** *In addition to any other remedy or penalty, the*  
14 *Commission or the Division, as appropriate, may:*

15 *1. Refuse to issue a certificate, license or registration card to*  
16 *a person who has failed to pay money which the person owes to*  
17 *the Commission or the Division.*

18 *2. Refuse to renew, or suspend or revoke, the certificate,*  
19 *license or registration card of a person who has failed to pay*  
20 *money which the person owes to the Commission or the Division.*

21 **Sec. 24.** *1. In addition to any other remedy or penalty, the*  
22 *Commission may impose an administrative fine against any*  
23 *person who knowingly:*

24 *(a) Engages or offers to engage in any activity for which a*  
25 *certificate, license or registration card or any type of authorization*  
26 *is required pursuant to this chapter, or any regulation adopted*  
27 *pursuant thereto, if the person does not hold the required*  
28 *certificate, license or registration card or has not been given the*  
29 *required authorization; or*

30 *(b) Assists or offers to assist another person to commit a*  
31 *violation described in paragraph (a).*

32 *2. If the Commission imposes an administrative fine against a*  
33 *person pursuant to this section, the amount of the administrative*  
34 *fine may not exceed the amount of any gain or economic benefit*  
35 *that the person derived from the violation or \$5,000, whichever*  
36 *amount is greater.*

37 *3. In determining the appropriate amount of the*  
38 *administrative fine, the Commission shall consider:*

39 *(a) The severity of the violation and the degree of any harm*  
40 *that the violation caused to other persons;*

41 *(b) The nature and amount of any gain or economic benefit*  
42 *that the person derived from the violation;*

43 *(c) The person's history or record of other violations; and*

44 *(d) Any other facts or circumstances that the Commission*  
45 *deems to be relevant.*





1     4. *Before the Commission may impose the administrative*  
2 *fine, the Commission must provide the person with notice and an*  
3 *opportunity to be heard.*

4     5. *The person is entitled to judicial review of the decision of*  
5 *the Commission in the manner provided by chapter 233B of NRS.*

6     6. *The provisions of this section do not apply to a person who*  
7 *engages or offers to engage in activities within the purview of this*  
8 *chapter if:*

9       (a) *A specific statute exempts the person from complying with*  
10 *the provisions of this chapter with regard to those activities; and*

11       (b) *The person is acting in accordance with the exemption*  
12 *while engaging or offering to engage in those activities.*

13     **Sec. 25.** NRS 645C.300 is hereby amended to read as follows:

14     645C.300 1. ~~{Every}~~ *Each* application for a certificate,  
15 license or registration card must include the social security number  
16 of the applicant and be accompanied by the fee for the certificate,  
17 license or registration card ~~[-~~

18 ~~—2.—Each}~~ *and the fee to pay the costs of an investigation of the*  
19 *applicant's background.*

20     2. *Except as otherwise provided in this section, each* applicant  
21 *must [-*

22 ~~—(a) At}~~ *, as part of his application and at his own expense {and}*  
23 *:*

24       (a) *Arrange to have a complete set of his fingerprints taken by*  
25 *a law enforcement agency or other authorized entity acceptable to*  
26 *the Division on a fingerprint card provided by the law enforcement*  
27 *agency or other authorized entity for that purpose; and*

28       (b) *Submit to the Division [- arrange to be fingerprinted by an*  
29 *agency of law enforcement; and*

30 ~~—(b) Attach}~~ *the completed fingerprint card {to his application.}*  
31 *and written permission authorizing the Division to submit the*  
32 *applicant's fingerprints to the Central Repository for Nevada*  
33 *Records of Criminal History for submission to the Federal Bureau*  
34 *of Investigation for a report on the applicant's background and to*  
35 *such other law enforcement agencies as the Division deems*  
36 *necessary.*

37     3. The Division may:

38       (a) ~~{Mail the card}~~ *Submit the applicant's fingerprints to the*  
39 *Central Repository for submission to the Federal Bureau of*  
40 *Investigation {or any other agency of} and to such other law*  
41 *enforcement [-} agencies as the Division deems necessary; and*

42       (b) Request from *each* such ~~{an}~~ agency any information  
43 regarding the applicant's ~~{criminal history}~~ *background* as the  
44 Division deems necessary.



1     ***4. The Commission may adopt regulations to establish***  
2     ***alternative methods for the Division to conduct an investigation of***  
3     ***the applicant's background. The Division may use such***  
4     ***alternative methods in addition to or in lieu of any investigation of***  
5     ***the applicant's background based on the fingerprints of the***  
6     ***applicant.***

7     **Sec. 26.** NRS 645C.450 is hereby amended to read as follows:  
8     645C.450 1. The following fees may be charged and  
9     collected by the Division:

10	
11	Application for a certificate, license or registration
12	card..... \$100
13	Issuance or renewal of a certificate or license as a
14	residential appraiser ..... 290
15	Issuance or renewal of a certificate as a general
16	appraiser ..... 390
17	Issuance of a permit ..... 115
18	Issuance or renewal of a registration card..... 190
19	Issuance of a duplicate certificate or license for an
20	additional office ..... 50
21	Change in the name or location of a business ..... <del>10</del> 20
22	Reinstatement of an inactive certificate or license..... <del>10</del> 30
23	Annual approval of a course of instruction offered in
24	preparation for an initial certificate or license ..... 100
25	<del>Annual</del> <b><i>Original approval of a course of</i></b>
26	<b><i>instruction offered for continuing education..... 100</i></b>
27	<b><i>Renewal of approval</i></b> of a course of instruction
28	offered for continuing education..... 50
29	

30     2. The Division shall adopt regulations which establish the fees  
31     to be charged and collected by the Division ***to pay*** ~~for~~:

32     ~~—(a) The~~ ***the costs of:***

33     ***(a) Any*** examination for a certificate or license ~~;- and~~

34     ~~—(b) Any additional expenses~~ ***, including any costs*** which are  
35     necessary for the administration of ~~the~~ ***such an*** examination.

36     ***(b) Any investigation of a person's background.***

37     **Sec. 27.** Chapter 645D of NRS is hereby amended by adding  
38     thereto the provisions set forth as sections 28, 29 and 30 of this act.

39     **Sec. 28. 1. The Administrator may adopt regulations which**  
40     ***establish procedures for the Division to conduct business***  
41     ***electronically pursuant to title 59 of NRS with persons who are***  
42     ***regulated pursuant to this chapter and with any other persons with***  
43     ***whom the Division conducts business. The regulations may***  
44     ***include, without limitation, the establishment of fees to pay the***  
45     ***costs of conducting business electronically with the Division.***



1       2. *In addition to the process authorized by NRS 719.280, if*  
2 *the Division is conducting business electronically with a person*  
3 *and a law requires a signature or record to be notarized,*  
4 *acknowledged, verified or made under oath, the Division may*  
5 *allow the person to substitute a declaration that complies with the*  
6 *provisions of NRS 53.045 to satisfy the legal requirement.*

7       3. *The Division may refuse to conduct business electronically*  
8 *with a person who has failed to pay money which the person owes*  
9 *to the Division.*

10      **Sec. 29.** *In addition to any other remedy or penalty, the*  
11 *Administrator may:*

12       1. *Refuse to issue a certificate to a person who has failed to*  
13 *pay money which the person owes to the Division.*

14       2. *Refuse to renew, or suspend or revoke, the certificate of a*  
15 *person who has failed to pay money which the person owes to the*  
16 *Division.*

17      **Sec. 30.** 1. *In addition to any other remedy or penalty, the*  
18 *Administrator may impose an administrative fine against any*  
19 *person who knowingly:*

20       (a) *Engages or offers to engage in any activity for which a*  
21 *certificate or any type of authorization is required pursuant to this*  
22 *chapter, or any regulation adopted pursuant thereto, if the person*  
23 *does not hold the required certificate or has not been given the*  
24 *required authorization; or*

25       (b) *Assists or offers to assist another person to commit a*  
26 *violation described in paragraph (a).*

27       2. *If the Administrator imposes an administrative fine against*  
28 *a person pursuant to this section, the amount of the administrative*  
29 *fine may not exceed the amount of any gain or economic benefit*  
30 *that the person derived from the violation or \$5,000, whichever*  
31 *amount is greater.*

32       3. *In determining the appropriate amount of the*  
33 *administrative fine, the Administrator shall consider:*

34       (a) *The severity of the violation and the degree of any harm*  
35 *that the violation caused to other persons;*

36       (b) *The nature and amount of any gain or economic benefit*  
37 *that the person derived from the violation;*

38       (c) *The person's history or record of other violations; and*

39       (d) *Any other facts or circumstances that the Administrator*  
40 *deems to be relevant.*

41       4. *Before the Administrator may impose the administrative*  
42 *fine, the Administrator must provide the person with notice and an*  
43 *opportunity to be heard.*



1       5. *The person is entitled to judicial review of the decision of*  
2 *the Administrator in the manner provided by chapter 233B of*  
3 *NRS.*

4       6. *The provisions of this section do not apply to a person who*  
5 *engages or offers to engage in activities within the purview of this*  
6 *chapter if:*

7       (a) *A specific statute exempts the person from complying with*  
8 *the provisions of this chapter with regard to those activities; and*

9       (b) *The person is acting in accordance with the exemption*  
10 *while engaging or offering to engage in those activities.*

11       **Sec. 31.** NRS 645D.180 is hereby amended to read as follows:

12       645D.180 1. ~~Every~~ *Each* application for a certificate must  
13 be accompanied by the fee for the certificate ~~[-~~

14 ~~—2. Each] and the fee to pay the costs of an investigation of the~~  
15 ~~applicant's background.~~

16       2. *Except as otherwise provided in this section, each* applicant  
17 *must [-*

18 ~~—(a) At], as part of his application and at~~ his own expense ~~[and]~~  
19 *:*

20       (a) *Arrange to have a complete set of his fingerprints taken by*  
21 *a law enforcement agency or other authorized entity acceptable to*  
22 *the Division on a fingerprint card provided by the law enforcement*  
23 *agency or other authorized entity for that purpose; and*

24       (b) *Submit to the Division [-arrange to be fingerprinted by an*  
25 *agency of law enforcement; and*

26 ~~—(b) Attach] the completed fingerprint card [to his application.]~~  
27 *and written permission authorizing the Division to submit the*  
28 *applicant's fingerprints to the Central Repository for Nevada*  
29 *Records of Criminal History for submission to the Federal Bureau*  
30 *of Investigation for a report on the applicant's background and to*  
31 *such other law enforcement agencies as the Division deems*  
32 *necessary.*

33       3. The Division may:

34       (a) Require more than one *complete* set of fingerprints;

35       (b) ~~[Mail a completed card] Submit the applicant's fingerprints~~  
36 *to the Central Repository for submission* to the Federal Bureau of  
37 Investigation ~~[for any other agency of] and to such other~~ law  
38 enforcement ~~[-] agencies as the Division deems necessary; and~~

39       (c) Request from *each* such ~~[an]~~ agency any information  
40 regarding the applicant's ~~[criminal history] background~~ that the  
41 Division deems necessary.

42       4. *The Division may adopt regulations to establish alternative*  
43 *methods for the Division to conduct an investigation of the*  
44 *applicant's background. The Division may use such alternative*



1 *methods in addition to or in lieu of any investigation of the*  
2 *applicant's background based on the fingerprints of the applicant.*

3 **Sec. 32.** NRS 645D.240 is hereby amended to read as follows:  
4 645D.240 *1.* The following fees must be charged and  
5 collected by the Division:

6 ~~[Application]~~ *For each application* for a certificate ..... \$100  
7 ~~[Issuance]~~ *For the issuance* or renewal of a certificate..... 250  
8 *For each penalty for a late renewal of a certificate* ..... 125  
9 *For each change of name, address or association* ..... 20  
10 *For each duplicate certificate where the original is*  
11 *lost or destroyed, and an affidavit is made thereof* ..... 20  
12 *For each reinstatement to active status of an inactive*  
13 *certificate* ..... 20  
14 *For each annual approval of a course of instruction*  
15 *offered in preparation for an original certificate* ..... 100  
16 *For each original accreditation of a course of*  
17 *continuing education* ..... 100  
18 *For each renewal of accreditation of a course of*  
19 *continuing education* ..... 50

20 *2. The Division shall adopt regulations which establish the*  
21 *fees to be charged and collected by the Division to pay the costs of:*

22 *(a) Any examination for a certificate, including any costs*  
23 *which are necessary for the administration of such an*  
24 *examination.*

25 *(b) Any investigation of a person's background.*

26 **Sec. 33.** Chapter 116 of NRS is hereby amended by adding  
27 thereto the provisions set forth as sections 34, 35 and 36 of this act.

28 **Sec. 34.** *"Division" means the Real Estate Division of the*  
29 *Department of Business and Industry.*

30 **Sec. 35. 1.** *The Administrator may adopt regulations which*  
31 *establish procedures for the Division to conduct business*  
32 *electronically pursuant to title 59 of NRS with persons who are*  
33 *regulated pursuant to this chapter and with any other persons with*  
34 *whom the Division conducts business. The regulations may*  
35 *include, without limitation, the establishment of fees to pay the*  
36 *costs of conducting business electronically with the Division.*

37 *2. In addition to the process authorized by NRS 719.280, if*  
38 *the Division is conducting business electronically with a person*  
39 *and a law requires a signature or record to be notarized,*  
40 *acknowledged, verified or made under oath, the Division may*  
41 *allow the person to substitute a declaration that complies with the*  
42 *provisions of NRS 53.045 to satisfy the legal requirement.*

43 *3. The Division may refuse to conduct business electronically*  
44 *with a person who has failed to pay money which the person owes*  
45 *to the Division or the Real Estate Commission.*



1     **Sec. 36. 1.** *In addition to any other remedy or penalty, the*  
2 *Real Estate Commission may impose an administrative fine*  
3 *against any person who knowingly:*

4     *(a) Engages or offers to engage in any activity for which a*  
5 *permit or certificate or any type of authorization is required*  
6 *pursuant to NRS 116.31139, or any regulation adopted pursuant*  
7 *thereto, if the person does not hold the required permit or*  
8 *certificate or has not been given the required authorization; or*

9     *(b) Assists or offers to assist another person to commit a*  
10 *violation described in paragraph (a).*

11     **2.** *If the Real Estate Commission imposes an administrative*  
12 *fine against a person pursuant to this section, the amount of the*  
13 *administrative fine may not exceed the amount of any gain or*  
14 *economic benefit that the person derived from the violation or*  
15 *\$5,000, whichever amount is greater.*

16     **3.** *In determining the appropriate amount of the*  
17 *administrative fine, the Real Estate Commission shall consider:*

18     *(a) The severity of the violation and the degree of any harm*  
19 *that the violation caused to other persons;*

20     *(b) The nature and amount of any gain or economic benefit*  
21 *that the person derived from the violation;*

22     *(c) The person's history or record of other violations; and*

23     *(d) Any other facts or circumstances that the Real Estate*  
24 *Commission deems to be relevant.*

25     **4.** *Before the Real Estate Commission may impose the*  
26 *administrative fine, the Real Estate Commission must provide the*  
27 *person with notice and an opportunity to be heard.*

28     **5.** *The person is entitled to judicial review of the decision of*  
29 *the Real Estate Commission in the manner provided by chapter*  
30 *233B of NRS.*

31     **6.** *The provisions of this section do not apply to a person who*  
32 *engages or offers to engage in activities within the purview of NRS*  
33 *116.31139 if:*

34     *(a) A specific statute exempts the person from complying with*  
35 *the provisions of NRS 116.31139 with regard to those activities;*  
36 *and*

37     *(b) The person is acting in accordance with the exemption*  
38 *while engaging or offering to engage in those activities.*

39     **Sec. 37.** NRS 116.1103 is hereby amended to read as follows:

40     116.1103 ~~[(In)]~~ *As used in this chapter and in* the declaration  
41 *and bylaws* ~~[(NRS 116.3106), unless specifically provided otherwise~~  
42 ~~or] of an association, unless~~ the context otherwise requires, ~~[and in~~  
43 ~~this chapter.]~~ the words and terms defined in NRS 116.110305 to  
44 116.110393, inclusive, *and section 34 of this act* have the meanings  
45 ascribed to them in those sections.



1     **Sec. 38.** NRS 116.110305 is hereby amended to read as  
2 follows:

3     116.110305 “Administrator” means the *Real Estate*  
4 Administrator . ~~[of the Real Estate Division of the Department of~~  
5 ~~Business and Industry.]~~

6     **Sec. 39.** NRS 116.1116 is hereby amended to read as follows:

7     116.1116 1. The Office of the Ombudsman for Owners in  
8 Common-Interest Communities is hereby created within the ~~[Real~~  
9 ~~Estate Division of the Department of Business and Industry.]~~  
10 *Division.*

11     2. The Administrator shall appoint the Ombudsman for Owners  
12 in Common-Interest Communities. The Ombudsman for Owners in  
13 Common-Interest Communities is in the unclassified service of the  
14 State.

15     3. The Ombudsman for Owners in Common-Interest  
16 Communities must be qualified by training and experience to  
17 perform the duties and functions of his office.

18     4. The Ombudsman for Owners in Common-Interest  
19 Communities shall:

20     (a) Assist in processing claims submitted to mediation or  
21 arbitration pursuant to NRS 38.300 to 38.360, inclusive;

22     (b) Assist owners in common-interest communities to  
23 understand their rights and responsibilities as set forth in this  
24 chapter and the governing documents of their associations,  
25 including, without limitation, publishing materials related to those  
26 rights and responsibilities;

27     (c) Assist persons appointed or elected to serve on executive  
28 boards of associations to carry out their duties; and

29     (d) Compile and maintain a registration of each association  
30 organized within the state which includes, without limitation:

31         (1) The name, address and telephone number of the  
32 association;

33         (2) The name of the person engaged in property management  
34 for the common-interest community or the name of the person who  
35 manages the property at the site of the common-interest community;

36         (3) The names, mailing addresses and telephone numbers of  
37 the members of the executive board of the association;

38         (4) The name of the declarant;

39         (5) The number of units in the common-interest community;  
40 and

41         (6) The total annual assessment made by the association.

42     **Sec. 40.** NRS 116.31139 is hereby amended to read as  
43 follows:

44     116.31139 1. An association may employ a person engaged  
45 in property management for the common-interest community.





1       2. Except as otherwise provided in this section, a person  
2 engaged in property management for a common-interest community  
3 must:

4       (a) Hold a permit to engage in property management that is  
5 issued pursuant to the provisions of chapter 645 of NRS; or

6       (b) Hold a certificate issued by the Real Estate Commission  
7 pursuant to subsection 3.

8       3. The Real Estate Commission shall provide by regulation for  
9 the issuance of certificates for the management of common-interest  
10 communities to persons who are not otherwise authorized to engage  
11 in property management pursuant to the provisions of chapter 645 of  
12 NRS. The regulations:

13       (a) Must establish the qualifications for the issuance of such a  
14 certificate, including the education and experience required to obtain  
15 such a certificate. ~~§~~

16       (b) May require applicants to pass an examination in order to  
17 obtain a certificate. ~~§~~ *If the regulations require such an*  
18 *examination, the Real Estate Commission shall adopt regulations*  
19 *which establish fees to pay the costs of the examination, including*  
20 *any costs which are necessary for the administration of the*  
21 *examination.*

22       (c) *May require an investigation of an applicant's background.*  
23 *If the regulations require such an investigation, the Real Estate*  
24 *Commission shall adopt regulations which establish fees to pay*  
25 *the costs of the investigation.*

26       (d) Must establish standards of practice for persons engaged in  
27 property management for a common-interest community. ~~§~~

28 ~~—(d)~~ (e) Must establish the grounds for initiating disciplinary  
29 action against a person to whom a certificate has been issued,  
30 including, without limitation, the grounds for placing conditions,  
31 limitations or restrictions on a certificate and for the suspension or  
32 revocation of a certificate. ~~§ and~~

33 ~~—(e)~~ (f) Must establish rules of practice and procedure for  
34 conducting disciplinary hearings.

35 The ~~[Real Estate Division of the Department of Business and~~  
36 ~~Industry]~~ *Division* may investigate the property managers to whom  
37 certificates have been issued to ensure their compliance with the  
38 standards of practice adopted pursuant to this subsection and collect  
39 a fee for the issuance of a certificate by the *Real Estate* Commission  
40 in an amount not to exceed the administrative costs of issuing the  
41 certificate.

42       4. *In addition to any other remedy or penalty, the Real Estate*  
43 *Commission may:*



1       (a) *Refuse to issue a permit or certificate to a person who has*  
2 *failed to pay money which the person owes to the Real Estate*  
3 *Commission or the Division.*

4       (b) *Refuse to renew, or suspend or revoke, the permit or*  
5 *certificate of a person who has failed to pay money which the*  
6 *person owes to the Real Estate Commission or the Division.*

7       5. The provisions of subsection 2 do not apply to:

8       (a) A person who is engaged in property management for a  
9 common-interest community on October 1, 1999, and is granted an  
10 exemption from the requirements of subsection 2 by the  
11 Administrator upon demonstration that he is qualified and  
12 competent to engage in property management for a common-interest  
13 community.

14       (b) A financial institution.

15       (c) An attorney licensed to practice in this state.

16       (d) A trustee.

17       (e) An employee of a corporation who manages only the  
18 property of the corporation.

19       (f) A declarant.

20       (g) A receiver.

21       ~~5.1~~ 6. As used in this section, "property management" means  
22 the physical, administrative or financial maintenance and  
23 management of real property, or the supervision of those activities  
24 for a fee, commission or other compensation or valuable  
25 consideration.

26       **Sec. 41.** NRS 116.311391 is hereby amended to read as  
27 follows:

28       116.311391 The expiration or revocation of a certificate for the  
29 management of a common-interest community by operation of law  
30 or by order or decision of the Real Estate Commission or a court of  
31 competent jurisdiction, or the voluntary surrender of such a  
32 certificate by the holder of the certificate does not:

33       1. Prohibit the ~~{Real Estate Division of the Department of~~  
34 ~~Business and Industry or}~~ Real Estate Commission *or the Division*  
35 from initiating or continuing an investigation of, or action or  
36 disciplinary proceeding against, the holder of the certificate as  
37 authorized pursuant to the provisions of this chapter or the  
38 regulations adopted pursuant thereto; or

39       2. Prevent the imposition or collection of any fine or penalty  
40 authorized pursuant to the provisions of this chapter or the  
41 regulations adopted pursuant thereto against the holder of the  
42 certificate.



1     **Sec. 42.** Chapter 119 of NRS is hereby amended by adding  
2     thereto the provisions set forth as sections 43, 44 and 45 of this act.

3     **Sec. 43.** *1. The Administrator may adopt regulations which*  
4     *establish procedures for the Division to conduct business*  
5     *electronically pursuant to title 59 of NRS with persons who are*  
6     *regulated pursuant to this chapter and with any other persons with*  
7     *whom the Division conducts business. The regulations may*  
8     *include, without limitation, the establishment of fees to pay the*  
9     *costs of conducting business electronically with the Division.*

10    *2. In addition to the process authorized by NRS 719.280, if*  
11    *the Division is conducting business electronically with a person*  
12    *and a law requires a signature or record to be notarized,*  
13    *acknowledged, verified or made under oath, the Division may*  
14    *allow the person to substitute a declaration that complies with the*  
15    *provisions of NRS 53.045 to satisfy the legal requirement.*

16    *3. The Division may refuse to conduct business electronically*  
17    *with a person who has failed to pay money which the person owes*  
18    *to the Division.*

19    **Sec. 44.** *In addition to any other remedy or penalty, the*  
20    *Administrator may:*

21    *1. Refuse to issue a license, permit or registration to a person*  
22    *who has failed to pay money which the person owes to the*  
23    *Division.*

24    *2. Refuse to renew, or suspend or revoke, the license, permit*  
25    *or registration of a person who has failed to pay money which the*  
26    *person owes to the Division.*

27    **Sec. 45.** *1. In addition to any other remedy or penalty, the*  
28    *Administrator may impose an administrative fine against any*  
29    *person who knowingly:*

30    *(a) Engages or offers to engage in any activity for which a*  
31    *license, permit or registration or any type of authorization is*  
32    *required pursuant to this chapter, or any regulation adopted*  
33    *pursuant thereto, if the person does not hold the required license,*  
34    *permit or registration or has not been given the required*  
35    *authorization; or*

36    *(b) Assists or offers to assist another person to commit a*  
37    *violation described in paragraph (a).*

38    *2. If the Administrator imposes an administrative fine against*  
39    *a person pursuant to this section, the amount of the administrative*  
40    *fine may not exceed the amount of any gain or economic benefit*  
41    *that the person derived from the violation or \$5,000, whichever*  
42    *amount is greater.*

43    *3. In determining the appropriate amount of the*  
44    *administrative fine, the Administrator shall consider:*



\* S B 4 2 8 \*

1       (a) *The severity of the violation and the degree of any harm*  
2       *that the violation caused to other persons;*

3       (b) *The nature and amount of any gain or economic benefit*  
4       *that the person derived from the violation;*

5       (c) *The person's history or record of other violations; and*

6       (d) *Any other facts or circumstances that the Administrator*  
7       *deems to be relevant.*

8       4. *Before the Administrator may impose the administrative*  
9       *fine, the Administrator must provide the person with notice and an*  
10       *opportunity to be heard.*

11       5. *The person is entitled to judicial review of the decision of*  
12       *the Administrator in the manner provided by chapter 233B of*  
13       *NRS.*

14       6. *The provisions of this section do not apply to a person who*  
15       *engages or offers to engage in activities within the purview of this*  
16       *chapter if:*

17       (a) *A specific statute exempts the person from complying with*  
18       *the provisions of this chapter with regard to those activities; and*

19       (b) *The person is acting in accordance with the exemption*  
20       *while engaging or offering to engage in those activities.*

21       **Sec. 46.** NRS 119.015 is hereby amended to read as follows:

22       119.015 "Administrator" means the ~~{chief of the Division.}~~  
23       *Real Estate Administrator.*

24       **Sec. 47.** NRS 119.184 is hereby amended to read as follows:

25       119.184 **1.** A subdivision consisting of land situated in the  
26       State of Nevada or another state must not be advertised or offered  
27       for sale within the State of Nevada until the advertising and offering  
28       is approved by the Division. Each advertisement must contain the  
29       processing number assigned by the Division.

30       **2.** Each application for approval of advertising must be  
31       accompanied by ~~{a}~~ :

32       (a) A filing fee ~~{not to exceed \$200, according to}~~ **based on** a  
33       schedule of fees ~~{to be}~~ established by the Division ; and ~~{fees}~~

34       (b) **Fees** for inspecting the advertising and the property in  
35       amounts established by the Division.

36       **3.** The Division shall render a decision upon an application for  
37       approval of an advertising or offering within 30 days from the date  
38       the application is filed.

39       **4.** The Division shall adopt regulations to accomplish the  
40       purpose of this section.

41       **Sec. 48.** NRS 119.320 is hereby amended to read as follows:

42       119.320 **1.** Subject to the provisions of this chapter, the  
43       Division shall collect the following fees at such times and upon such  
44       conditions as it may provide by regulation:



1	For each annual registered representative's	
2	license to represent a developer .....	<del>[\$65]</del> \$85
3	For each transfer of a registered representative's	
4	license to represent a developer .....	<del>[20]</del> 30
5	<i>For each penalty for a late renewal of a</i>	
6	<i>registered representative's license .....</i>	<i>40</i>
7	For each application for a developer's request for	
8	an exemption from any provision of this chapter.....	<del>[250]</del> 275
9	For each application for renewal of an exemption	
10	from any provision of this chapter .....	<del>[250]</del> 275
11	For each developer's permit per subdivision .....	500
12	For each developer's temporary permit for each	
13	subdivision .....	<del>[250]</del> 275
14	For <i>each</i> renewal of a developer's permit.....	500
15	For each developer's partial registration pursuant	
16	to NRS 119.121 .....	<del>[250]</del> 275
17	For each amendment to a developer's permit .....	<del>[100]</del> 150
18		
19	The \$500 fee for a developer's permit per subdivision does not	
20	apply to any subdivision having 34 or fewer lots, parcels, interests	
21	or units.	
22	2. At the time of the original filing, each developer shall pay an	
23	additional \$5 for each lot, parcel, interest or unit in any one	
24	subdivision in excess of 50, but not exceeding 250 such lots,	
25	parcels, interests or units; \$4 for 251 through 500 lots, parcels,	
26	interests or units in any one subdivision; \$3 for 501 through 750	
27	lots, parcels, interests or units in any one subdivision; and \$2.50 for	
28	all lots, parcels, interests or units in excess of 750 in any one	
29	subdivision. The developer may designate lots, parcels, interests or	
30	units it intends to offer for sale or lease in this state out of the	
31	subdivision, and the fee per lot, parcel, interest or unit is only	
32	applicable to those lots, parcels, interests or units. The units must be	
33	designated in groupings of no less than 5 contiguous units in each	
34	group, except that the Division may accept fewer upon request of	
35	the developer. If the developer determines to offer additional lots,	
36	parcels, interests or units, it shall so certify to the Division and pay	
37	the additional fee therefor.	
38	3. With the exception of the fees for a registered	
39	representative's license or transfer, the fees enumerated in this	
40	section must be reduced by the Administrator at such times as, in his	
41	judgment, he considers a reduction equitable in relation to the	
42	necessary costs of carrying out the administration and enforcement	
43	of the provisions of this chapter.	



1     **Sec. 49.** Chapter 119A of NRS is hereby amended by adding  
2 thereto the provisions set forth as sections 50, 51 and 52 of this act.

3     **Sec. 50.** *1. The Administrator may adopt regulations which*  
4 *establish procedures for the Division to conduct business*  
5 *electronically pursuant to title 59 of NRS with persons who are*  
6 *regulated pursuant to this chapter and with any other persons with*  
7 *whom the Division conducts business. The regulations may*  
8 *include, without limitation, the establishment of fees to pay the*  
9 *costs of conducting business electronically with the Division.*

10     *2. In addition to the process authorized by NRS 719.280, if*  
11 *the Division is conducting business electronically with a person*  
12 *and a law requires a signature or record to be notarized,*  
13 *acknowledged, verified or made under oath, the Division may*  
14 *allow the person to substitute a declaration that complies with the*  
15 *provisions of NRS 53.045 to satisfy the legal requirement.*

16     *3. The Division may refuse to conduct business electronically*  
17 *with a person who has failed to pay money which the person owes*  
18 *to the Division.*

19     **Sec. 51.** *In addition to any other remedy or penalty, the*  
20 *Administrator may:*

21     *1. Refuse to issue a license, permit, certificate or registration*  
22 *to a person who has failed to pay money which the person owes to*  
23 *the Division.*

24     *2. Refuse to renew, or suspend or revoke, the license, permit,*  
25 *certificate or registration of a person who has failed to pay money*  
26 *which the person owes to the Division.*

27     **Sec. 52.** *1. In addition to any other remedy or penalty, the*  
28 *Administrator may impose an administrative fine against any*  
29 *person who knowingly:*

30     *(a) Engages or offers to engage in any activity for which a*  
31 *license, permit, certificate or registration or any type of*  
32 *authorization is required pursuant to this chapter, or any*  
33 *regulation adopted pursuant thereto, if the person does not hold*  
34 *the required license, permit, certificate or registration or has not*  
35 *been given the required authorization; or*

36     *(b) Assists or offers to assist another person to commit a*  
37 *violation described in paragraph (a).*

38     *2. If the Administrator imposes an administrative fine against*  
39 *a person pursuant to this section, the amount of the administrative*  
40 *fine may not exceed the amount of any gain or economic benefit*  
41 *that the person derived from the violation or \$5,000, whichever*  
42 *amount is greater.*

43     *3. In determining the appropriate amount of the*  
44 *administrative fine, the Administrator shall consider:*



1       (a) *The severity of the violation and the degree of any harm*  
2       *that the violation caused to other persons;*

3       (b) *The nature and amount of any gain or economic benefit*  
4       *that the person derived from the violation;*

5       (c) *The person's history or record of other violations; and*

6       (d) *Any other facts or circumstances that the Administrator*  
7       *deems to be relevant.*

8       4. *Before the Administrator may impose the administrative*  
9       *fine, the Administrator must provide the person with notice and an*  
10       *opportunity to be heard.*

11       5. *The person is entitled to judicial review of the decision of*  
12       *the Administrator in the manner provided by chapter 233B of*  
13       *NRS.*

14       6. *The provisions of this section do not apply to a person who*  
15       *engages or offers to engage in activities within the purview of this*  
16       *chapter if:*

17       (a) *A specific statute exempts the person from complying with*  
18       *the provisions of this chapter with regard to those activities; and*

19       (b) *The person is acting in accordance with the exemption*  
20       *while engaging or offering to engage in those activities.*

21       **Sec. 53.** NRS 119A.210 is hereby amended to read as follows:

22       119A.210 1. The Administrator shall issue a sales agent's  
23       license to each applicant who submits an application to the Division,  
24       in the manner provided by the Division, which includes:

25       (a) Satisfactory evidence, affirmed by the project broker or  
26       another acceptable source, that the applicant has completed 14 hours  
27       of instruction in:

28               (1) Ethics.

29               (2) The applicable laws and regulations relating to time  
30       shares.

31               (3) Principles and practices of selling time shares.

32       (b) Satisfactory evidence that he has a reputation for honesty,  
33       trustworthiness and competence.

34       (c) A designation of the developer for whom he proposes to sell  
35       time shares.

36       (d) The social security number of the applicant.

37       (e) Any further information required by the Division, including  
38       the submission by the applicant to any investigation by the police or  
39       the Division.

40       2. In addition to or in lieu of the 14 hours of instruction  
41       required by paragraph (a) of subsection 1, the applicant may be  
42       required to pass an examination which may be adopted by the  
43       Division to examine satisfactorily the knowledge of the applicant in  
44       those areas of instruction listed in paragraph (a) of subsection 1.



\* S B 4 2 8 \*



- 1     3. ~~[The application must be accompanied by]~~ *Each applicant*  
2 *must submit* the statement required pursuant to NRS 119A.263 and  
3 ~~[a fee of \$75. The fee must be used by the Division to]~~ pay the  
4 ~~[costs of investigating, acting upon and reviewing applications for~~  
5 ~~sales agents' licenses.] fees provided for in this chapter.~~  
6     4. *Except as otherwise provided in this section, each*  
7 *applicant must, as part of his application and at his own expense:*  
8     (a) *Arrange to have a complete set of his fingerprints taken by*  
9 *a law enforcement agency or other authorized entity acceptable to*  
10 *the Division on a fingerprint card provided by the law enforcement*  
11 *agency or other authorized entity for that purpose; and*  
12     (b) *Submit to the Division the completed fingerprint card and*  
13 *written permission authorizing the Division to submit the*  
14 *applicant's fingerprints to the Central Repository for Nevada*  
15 *Records of Criminal History for submission to the Federal Bureau*  
16 *of Investigation for a report on the applicant's background and to*  
17 *such other law enforcement agencies as the Division deems*  
18 *necessary.*  
19     5. *The Division may:*  
20     (a) *Submit the applicant's fingerprints to the Central*  
21 *Repository for submission to the Federal Bureau of Investigation*  
22 *and to such other law enforcement agencies as the Division deems*  
23 *necessary; and*  
24     (b) *Request from each such agency any information regarding*  
25 *the applicant's background as the Division deems necessary.*  
26     6. A person who is licensed as a salesman pursuant to chapter  
27 645 of NRS is not required to obtain a license pursuant to the  
28 provisions of this section.  
29     ~~[5. Upon the issuance of a license to an applicant, the applicant~~  
30 ~~must pay a fee of \$100 for the license and an additional fee of \$25~~  
31 ~~for investigation.~~  
32     ~~—6.]~~ 7. Each sales agent's license issued pursuant to this section  
33 expires 2 years after the last day of the calendar month in which it  
34 was issued and must be renewed on or before that date. Each  
35 licensee ~~[must pay a]~~ *who submits the statement required pursuant*  
36 *to NRS 119A.263 and meets the requirements for renewal may*  
37 *renew his license upon the payment of the* renewal fee ~~[of \$100.~~  
38 ~~—7.] before his license expires.~~  
39     8. If a ~~[sales agent]~~ licensee fails to ~~[pay the renewal fee before~~  
40 ~~the expiration of]~~ *renew* his license ~~[.] before it expires,~~ the license  
41 may be reinstated if the licensee *submits the statement and* pays ~~[a~~  
42 ~~reinstatement fee of \$50 and]~~ the renewal fee *and the penalty*  
43 *specified in NRS 119A.360* within 1 year after the license expires.  
44     ~~[8.]~~ 9. The Administrator may adopt regulations ~~[establishing]~~  
45 :



\* S B 4 2 8 \*

1       (a) *Establishing* and governing requirements for the continuing  
2 education of sales agents.

3       (b) *Establishing alternative methods for the Division to*  
4 *conduct an investigation of the applicant's background. The*  
5 *Division may use such alternative methods in addition to or in lieu*  
6 *of any investigation of the applicant's background based on the*  
7 *fingerprints of the applicant.*

8       **Sec. 54.** NRS 119A.250 is hereby amended to read as follows:  
9       119A.250 1. The registration of a representative issued  
10 pursuant to this chapter expires 1 year after its issuance.

11       2. Each representative who submits the statement required  
12 pursuant to NRS 119A.263 and meets the requirements for renewal  
13 adopted by the Division may renew his registration upon the  
14 payment of the annual renewal fee before ~~the expiration of~~ his  
15 registration ~~exp~~ *expires.*

16       3. If a representative fails to ~~pay the annual renewal fee before~~  
17 ~~the expiration of~~ *renew* his registration ~~before it expires,~~ the  
18 registration may be reinstated upon the submission of the statement  
19 and *the* payment of the ~~reinstatement fee in addition to the~~ annual  
20 renewal fee ~~A registration may be reinstated under this subsection~~  
21 ~~only if the statement is submitted and the fees are paid~~ *and the*  
22 *penalty specified in NRS 119A.360* within 1 year after the  
23 registration expires.

24       4. A representative issued a registration shall not change his  
25 association to another developer or change his location with the  
26 same developer unless he has obtained from the Division a transfer  
27 of his registration for its unexpired term. An application to the  
28 Division for the transfer of his registration for the unexpired term  
29 must be accompanied by the fee specified in NRS 119A.360 for the  
30 transfer of registration.

31       **Sec. 55.** NRS 119A.360 is hereby amended to read as follows:  
32       119A.360 1. The Division shall collect the following fees at  
33 such times and upon such conditions as it may provide by  
34 regulation:

35  
36       ~~Application fee for preliminary permit to sell~~  
37 ~~time shares~~.....\$250  
38       ~~Application fee~~ *For each application* for *the*  
39 registration of *a* representative.....~~[65]~~ 85  
40 For *each* renewal of *the* registration of *a*  
41 representative .....~~[65]~~ 85  
42       ~~Application fee for~~ *For each* transfer of *the*  
43 registration of *a* representative to *a* different  
44 developer or location..... 20



1	For <del>reinstatement</del> <i>each penalty for a late</i>	
2	<i>renewal of the</i> registration of <i>a</i> representative .....	<del>[25]</del> 40
3	<i>For each preliminary permit to sell time shares</i> .....	275
4	For each permit to sell time shares, per	
5	subdivision .....	500
6	For each amendment to a public offering	
7	statement after the issuance of the report.....	<del>[100]</del> 150
8	For <i>each</i> renewal of a permit <i>to sell time shares</i> .....	500
9	<i>For each original and annual registration of a</i>	
10	<i>manager</i> .....	75
11	<i>For each application for an original license as a</i>	
12	<i>sales agent</i> .....	175
13	<i>For each renewal of a license as a sales agent</i> .....	175
14	<i>For each penalty for a late renewal of a license</i>	
15	<i>as a sales agent</i> .....	75
16	<i>For each change of name or address</i> .....	20
17	<i>For each duplicate license, permit or</i>	
18	<i>registration where the original is lost or</i>	
19	<i>destroyed, and an affidavit is made thereof</i> .....	20
20	<i>For each annual approval of a course of</i>	
21	<i>instruction offered in preparation for an</i>	
22	<i>original license or permit</i> .....	100
23	<i>For each original accreditation of a course of</i>	
24	<i>continuing education</i> .....	100
25	<i>For each renewal of accreditation of a course of</i>	
26	<i>continuing education</i> .....	50

27  
28 2. Each developer shall pay an additional fee for each time  
29 share he sells in a time-share plan over 50 pursuant to the following  
30 schedule:  
31

32	
33	Number of time shares
34	
35	51—250 ..... \$5.00
36	251—500 ..... 4.00
37	501—750 ..... 3.00
38	751—1500 ..... 2.50
39	over 1500 ..... 1.00
40	

41 3. Except for the fees relating to the registration of a  
42 representative, the Administrator may reduce the fees established by  
43 this section if the reduction is equitable in relation to the costs of  
44 carrying out the provisions of this chapter.



1     ***4. The Division shall adopt regulations which establish the***  
2     ***fees to be charged and collected by the Division to pay the costs of:***

3     ***(a) Any examination for a license, including any costs which***  
4     ***are necessary for the administration of such an examination.***

5     ***(b) Any investigation of a person's background.***

6     **Sec. 56.** NRS 119A.532 is hereby amended to read as follows:

7     119A.532 1. A person who wishes to engage in the business  
8     of, act in the capacity of, advertise or assume to act as a manager  
9     shall register with the Division on a form prescribed by the  
10    Division.

11    2. The form for registration must include, without limitation:

12    (a) The registered name of the time-share plan or the project, or  
13    both, that the manager will manage;

14    (b) The address and telephone number of the manager's  
15    principal place of business;

16    (c) The social security number of the manager; and

17    (d) The name of the manager's responsible managing employee.

18    3. The form for registration must be accompanied by:

19    (a) Satisfactory evidence, acceptable to the Division, that the  
20    manager and his employees have obtained fidelity bonds in  
21    accordance with regulations adopted by the Division; and

22    (b) The statement required pursuant to NRS 119A.263.

23    4. The Division ~~[may collect a fee for registering a manager in~~  
24    ~~an amount not to exceed the administrative costs of]~~ ***shall collect***  
25    ***the fee specified in NRS 119A.360 upon*** registering the manager ~~[.]~~  
26    ***and annually thereafter to maintain the registration.***

27    5. As used in this section, "responsible managing employee"  
28    means the person designated by the manager to:

29    (a) Make technical and administrative decisions in connection  
30    with the manager's business; and

31    (b) Hire, superintend, promote, transfer, lay off, discipline or  
32    discharge other employees or recommend such action on behalf of  
33    the manager.

34    **Sec. 57.** Chapter 119B of NRS is hereby amended by adding  
35    thereto the provisions set forth as sections 58 to 61, inclusive, of this  
36    act.

37    **Sec. 58. "Division" means the Real Estate Division of the**  
38    ***Department of Business and Industry.***

39    **Sec. 59. 1. The Administrator may adopt regulations which**  
40    ***establish procedures for the Division to conduct business***  
41    ***electronically pursuant to title 59 of NRS with persons who are***  
42    ***regulated pursuant to this chapter and with any other persons with***  
43    ***whom the Division conducts business. The regulations may***  
44    ***include, without limitation, the establishment of fees to pay the***  
45    ***costs of conducting business electronically with the Division.***



\* S B 4 2 8 \*

1       2. *In addition to the process authorized by NRS 719.280, if*  
2 *the Division is conducting business electronically with a person*  
3 *and a law requires a signature or record to be notarized,*  
4 *acknowledged, verified or made under oath, the Division may*  
5 *allow the person to substitute a declaration that complies with the*  
6 *provisions of NRS 53.045 to satisfy the legal requirement.*

7       3. *The Division may refuse to conduct business electronically*  
8 *with a person who has failed to pay money which the person owes*  
9 *to the Division.*

10      **Sec. 60.** *In addition to any other remedy or penalty, the*  
11 *Administrator may:*

12       1. *Refuse to issue a permit to a person who has failed to pay*  
13 *money which the person owes to the Division.*

14       2. *Refuse to renew, or suspend or revoke, the permit of a*  
15 *person who has failed to pay money which the person owes to the*  
16 *Division.*

17      **Sec. 61.** 1. *In addition to any other remedy or penalty, the*  
18 *Administrator may impose an administrative fine against any*  
19 *person who knowingly:*

20       (a) *Engages or offers to engage in any activity for which a*  
21 *permit or any type of authorization is required pursuant to this*  
22 *chapter, or any regulation adopted pursuant thereto, if the person*  
23 *does not hold the required permit or has not been given the*  
24 *required authorization; or*

25       (b) *Assists or offers to assist another person to commit a*  
26 *violation described in paragraph (a).*

27       2. *If the Administrator imposes an administrative fine against*  
28 *a person pursuant to this section, the amount of the administrative*  
29 *fine may not exceed the amount of any gain or economic benefit*  
30 *that the person derived from the violation or \$5,000, whichever*  
31 *amount is greater.*

32       3. *In determining the appropriate amount of the*  
33 *administrative fine, the Administrator shall consider:*

34       (a) *The severity of the violation and the degree of any harm*  
35 *that the violation caused to other persons;*

36       (b) *The nature and amount of any gain or economic benefit*  
37 *that the person derived from the violation;*

38       (c) *The person's history or record of other violations; and*

39       (d) *Any other facts or circumstances that the Administrator*  
40 *deems to be relevant.*

41       4. *Before the Administrator may impose the administrative*  
42 *fine, the Administrator must provide the person with notice and an*  
43 *opportunity to be heard.*



\* S B 4 2 8 \*

1     **5. The person is entitled to judicial review of the decision of**  
2 **the Administrator in the manner provided by chapter 233B of**  
3 **NRS.**

4     **6. The provisions of this section do not apply to a person who**  
5 **engages or offers to engage in activities within the purview of this**  
6 **chapter if:**

7       **(a) A specific statute exempts the person from complying with**  
8 **the provisions of this chapter with regard to those activities; and**

9       **(b) The person is acting in accordance with the exemption**  
10 **while engaging or offering to engage in those activities.**

11     **Sec. 62.** NRS 119B.010 is hereby amended to read as follows:

12     119B.010 As used in this chapter, unless the context otherwise  
13 requires, the words and terms defined in NRS 119B.020 to  
14 119B.100, inclusive, **and section 58 of this act** have the meanings  
15 ascribed to them in those sections.

16     **Sec. 63.** NRS 119B.210 is hereby amended to read as follows:

17     119B.210 1. The Administrator shall collect the following  
18 fees at such times and upon such conditions as he may provide by  
19 regulation:

21	For an initial permit to sell memberships in a	
22	campground.....	\$500
23	For <b>each</b> renewal of a permit .....	500
24	For each amendment to a public offering	
25	statement after the issuance of the report.....	<del>[100]</del> 150
26	<del>[Application-fee]</del> <b>For each application</b> for <del>the</del>	
27	registration of a representative .....	<del>[65]</del> 85
28	For <b>each</b> renewal of the registration of a	
29	representative .....	<del>[65]</del> 85
30	For each transfer of <del>[a]</del> <b>the</b> registration of a	
31	representative to a different developer or location.....	20
32	For <del>[reinstatement]</del> <b>each penalty for a late</b>	
33	<b>renewal</b> of the registration of a representative.....	<del>[25]</del> 40
34	<b>For each change of name or address .....</b>	<b>20</b>

35  
36     2. Each developer shall pay an additional fee for each  
37 membership he sells in a campground in which more than 50  
38 memberships are available pursuant to the following schedule:

39  
40  
41     Number of memberships

42		
43	51—250 .....	\$5.00
44	251—500 .....	4.00
45	501—750 .....	3.00



1	751—1500 .....	2.50
2	over 1500 .....	1.00

3  
4       3. The Administrator may reduce the fees established by this  
5 section if the reduction is equitable in relation to the costs of  
6 carrying out the provisions of this chapter.

7       **Sec. 64.** NRS 645.849 is hereby repealed.

8       **Sec. 65.** 1. This act becomes effective on July 1, 2003.

9       2. Sections 11, 17, 25, 53, 54 and 56 of this act expire by  
10 limitation on the date on which the provisions of 42 U.S.C. § 666  
11 requiring each state to establish procedures under which the state  
12 has authority to withhold or suspend, or to restrict the use of  
13 professional, occupational and recreational licenses of persons who:

14       (a) Have failed to comply with a subpoena or warrant relating to  
15 a proceeding to determine the paternity of a child or to establish or  
16 enforce an obligation for the support of a child; or

17       (b) Are in arrears in the payment for the support of one or more  
18 children,

19 are repealed by the Congress of the United States.

---

---

#### TEXT OF REPEALED SECTION

---

---

**645.849 Filing false document with Administrator  
unlawful; penalty.**

1. It is unlawful for any person to file with the Administrator  
any notice, statement or other document required under the  
provisions of NRS 645.841 to 645.8494, inclusive, which is false or  
which contains any willful, material misstatement of fact.

2. Violation of subsection 1 is a gross misdemeanor.

