

Amendment No. 564

Senate Amendment to Assembly Bill No. 562	(BDR 54-584)
Proposed by: Senate Committee on Commerce and Labor	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: No	

ASSEMBLY ACTION		Initial and Date	SENATE ACTION		Initial and Date
Adopted	<input type="checkbox"/>	Lost <input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>
Concurred In	<input type="checkbox"/>	Not <input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>
Receded	<input type="checkbox"/>	Not <input type="checkbox"/>	_____	Receded	<input type="checkbox"/>

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) *green bold* is newly added transitory language.

RRY



Date: 4/21/2007

A.B. No. 562—Revises provisions governing persons regulated by the Real Estate Division of the Department of Business and Industry.
(BDR 54-584)



ASSEMBLY BILL NO. 562—COMMITTEE ON COMMERCE AND LABOR

(ON BEHALF OF THE REAL ESTATE DIVISION)

MARCH 26, 2007

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions governing persons regulated by the Real Estate Division of the Department of Business and Industry. (BDR 54-584)

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

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

AN ACT relating to real estate; revising provisions governing persons regulated by the Real Estate Division of the Department of Business and Industry; imposing certain notification requirements on such persons; authorizing the limited disclosure of certain confidential information; increasing the maximum administrative fines that may be imposed for certain violations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, the Real Estate Division of the Department of Business and Industry is responsible for regulating various persons who work in the real estate industry in this State. (Chapters 116A, 119, 119A, 119B, 645, 645C and 645D of NRS) **Sections 1, 9, 13, 15, 19, 23 and 27** of this bill require that persons regulated under those chapters notify the Division in writing if they are convicted of, or enter a plea of guilty or nolo contendere to, certain crimes. **Sections 5, 10, 14, 16, 18, 22 and 26** of this bill provide that certain confidential information concerning complaints filed against such persons and investigations of those complaints may be disclosed for certain limited purposes, including disclosure as necessary to administer certain statutory provisions or to a licensing board or a law enforcement or other governmental agency that is investigating such persons. **Sections 6 and 12** of this bill increase the maximum administrative fines that may be imposed for certain violations.

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

Section 1. Chapter 645 of NRS is hereby amended by adding thereto a new section to read as follows:

1. A licensee, property manager or owner-developer shall notify the Division in writing if he is convicted of, or enters a plea of guilty or nolo contendere to:

(a) A felony relating to the practice of the licensee, property manager or owner-developer; or

(b) Any crime involving fraud, deceit, misrepresentation or moral turpitude.

2. A licensee, property manager or owner-developer shall submit the notification required by subsection 1:

(a) Not more than 10 days after the conviction or entry of the plea of guilty or nolo contendere; and

(b) When submitting an application to renew a license, permit or registration issued pursuant to this chapter.

Sec. 2. NRS 645.440 is hereby amended to read as follows:

645.440 1. If the Division, after an application for a license in proper form has been filed with it, accompanied by the proper fee, denies an application, the Division shall give notice of the ~~fact~~ *denial* to the applicant within 15 days after its ruling, order or decision.

2. Upon written request from the applicant, filed within 30 days after receipt of that notice by the applicant, the President of the Commission shall set the matter for a hearing to be conducted ~~within 90 days~~ *at the next meeting of the Commission held pursuant to NRS 645.150* after receipt of the applicant's request if the request *is received at least 15 20 days before the meeting and* contains allegations which, if true, qualify the applicant for a license.

3. The hearing must be held at such time and place as the Commission prescribes. At least 15 days before the date set for the hearing, the Division shall notify the applicant and shall accompany the notification with an exact copy of any protest filed, together with copies of all communications, reports, affidavits or depositions in the possession of the Division relevant to the matter in question. Written notice of the hearing may be served by delivery personally to the applicant, or by mailing it by certified mail to the last known address of the applicant.

4. The hearing may be held by the Commission or by a majority of its members, and a hearing must be held, if the applicant so desires. A record of the proceedings, or any part thereof, must be made available to each party upon the payment to the Division of the reasonable cost of transcription.

5. The Commission shall render a written decision on any appeal within 60 days after the final hearing and shall notify the parties to the proceedings, in writing, of its ruling, order or decision within 15 days after it is made.

6. If an applicant has made a false statement of material fact on his application, the false statement may in itself be sufficient ground for refusal of a license.

Sec. 3. NRS 645.575 is hereby amended to read as follows:

645.575 1. The Commission shall adopt regulations that prescribe the standards for the continuing education of persons licensed pursuant to this chapter. ~~Until the Commission adopts such regulations, the standards for continuing education are as follows:~~

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

~~— (1) Thirty hours within the first year immediately after initial licensing; and~~

~~— (2) Fifteen hours within each subsequent 2 year period before renewal.~~

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) Establish a postlicensing curriculum of continuing education which must be completed by a person within the first year immediately after initial licensing of the person.

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

4. Except as otherwise provided in this subsection, the license of a real estate broker, broker-salesman or salesman must not be renewed or reinstated unless the Administrator finds that the applicant for the renewal license or for reinstatement to active status has completed the continuing education required by this chapter. Any

1 amendment or repeal of a regulation does not operate to prevent an applicant from
2 complying with this section for the next licensing period following the amendment
3 or repeal.

4 **Sec. 4.** NRS 645.6052 is hereby amended to read as follows:

5 645.6052 1. A person who is licensed pursuant to this chapter as a real
6 estate broker, real estate broker-salesman or real estate salesman may apply to the
7 Real Estate Division for a permit to engage in property management.

8 2. An applicant for a permit must:

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

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

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

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

16 (a) Furnish proof satisfactory to the Division that he has successfully
17 completed at least 3 of the hours of the continuing education required for the
18 renewal of his license pursuant to *the regulations adopted by the Commission*
19 *pursuant to* NRS 645.575 in an approved educational course, seminar or
20 conference concerning property management; and

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

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

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

26 (b) Establish fees for the issuance and renewal of a permit and fees to pay the
27 costs of:

28 (1) Any examination for a permit, including any costs which are necessary
29 for the administration of such an examination.

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

31 (c) Set forth standards of education for the approval of a course of instruction
32 to qualify an applicant for a permit.

33 **Sec. 5.** NRS 645.625 is hereby amended to read as follows:

34 645.625 1. Except as otherwise provided in this section, a complaint filed
35 with the Division alleging a violation of this chapter, all documents and other
36 information filed with the complaint and all documents and other information
37 compiled as a result of an investigation conducted to determine whether to initiate
38 disciplinary action are confidential ~~and~~ *and may be disclosed in whole or in part*
39 *only as necessary in the course of administering this chapter or to a licensing*
40 *board or agency or any other governmental agency, including, without limitation,*
41 *a law enforcement agency, that is investigating a person who holds a license,*
42 *permit or registration issued pursuant to this chapter.*

43 2. A complaint or other document filed with the Commission to initiate
44 disciplinary action and all documents and information considered by the
45 Commission when determining whether to impose discipline are public records.

46 **Sec. 6.** NRS 645.630 is hereby amended to read as follows:

47 645.630 1. The Commission may require a licensee, property manager or
48 owner-developer to pay an administrative fine of not more than ~~\$5,000~~ *\$10,000*
49 for each violation he commits or suspend, revoke, deny the renewal of or place
50 conditions upon his license, permit or registration, or impose any combination of
51 those actions, at any time if the licensee, property manager or owner-developer has,
52 by false or fraudulent representation, obtained a license, permit or registration, or

the licensee, property manager or owner-developer, whether or not acting as such, is found guilty of:

(a) Making any material misrepresentation.

(b) Making any false promises of a character likely to influence, persuade or induce.

(c) Accepting a commission or valuable consideration as a real estate broker-salesman or salesman for the performance of any of the acts specified in this chapter or chapter 119 or 119A of NRS from any person except the licensed real estate broker with whom he is associated or the owner-developer by whom he is employed.

(d) Representing or attempting to represent a real estate broker other than the broker with whom he is associated, without the express knowledge and consent of the broker with whom he is associated.

(e) Failing to maintain, for review and audit by the Division, each brokerage agreement and property management agreement governed by the provisions of this chapter and entered into by the licensee.

(f) Failing, within a reasonable time, to account for or to remit any money which comes into his possession and which belongs to others.

(g) If he is required to maintain a trust account:

(1) Failing to balance the trust account at least monthly; and

(2) Failing to submit to the Division an annual accounting of the trust account as required in NRS 645.310.

(h) Commingling the money or other property of his clients with his own or converting the money of others to his own use.

(i) In the case of a broker-salesman or salesman, failing to place in the custody of his licensed broker or owner-developer, as soon as possible, any deposit or other money or consideration entrusted to him by any person dealing with him as the representative of his licensed broker.

(j) Accepting other than cash as earnest money unless that fact is communicated to the owner before his acceptance of the offer to purchase and that fact is shown in the receipt for the earnest money.

(k) Upon acceptance of an agreement, in the case of a broker, failing to deposit any check or cash received as earnest money before the end of the next banking day unless otherwise provided in the purchase agreement.

(l) Inducing any party to a brokerage agreement, property management agreement, agreement of sale or lease to break it in order to substitute a new brokerage agreement, property management agreement, agreement of sale or lease with the same or another party if the inducement to make the substitution is offered to secure personal gain to the licensee or owner-developer.

2. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 7. NRS 645.685 is hereby amended to read as follows:

645.685 1. The licensee, permittee or owner-developer shall file an answer to the charges with the Commission ~~no~~ **not** later than 30 days after service of the notice and other documents described in subsection 4 of NRS 645.680. The answer must contain an admission or denial of the allegations contained in the complaint and any defenses upon which the licensee, permittee or owner-developer will rely. If no answer is filed within the ~~time limit~~ **period** described in this subsection, the Division may, after notice to the licensee, permittee or owner-developer served in the manner authorized in subsection 5 of NRS 645.680, move the Commission for the entry of a default against the licensee, permittee or owner-developer.

2. The answer may be served by delivery to the Commission, or by mailing the answer by certified mail to the principal office of the Division.

3. No proceeding to suspend, revoke or deny the renewal of any license or registration of an owner-developer may be maintained unless it is commenced by the giving of notice to the licensee, permittee or owner-developer within ~~{3-years-of the time}~~ *5 years after the date* of the act charged, whether of commission or omission, except:

(a) If the charges are based upon a misrepresentation, or failure to disclose, the period does not commence until the discovery of facts which do or should lead to the discovery of the misrepresentation or failure to disclose; and

(b) Whenever any action or proceeding is instituted to which the Division, licensee, permittee or owner-developer is a party and which involves the conduct of the licensee, permittee or owner-developer in the transaction with which the charges are related, the running of the ~~{3-year}~~ *5-year* period with respect to the institution of a proceeding pursuant to this chapter to suspend, revoke or deny the renewal of the license, permit or registration is suspended during the pendency of the action or proceeding.

Sec. 8. NRS 645.863 is hereby amended to read as follows:

645.863 1. A person who is licensed as a real estate broker, real estate broker-salesman or real estate salesman pursuant to this chapter may apply to the Real Estate Division for a permit to engage in business as a business broker.

2. An applicant for a permit must:

(a) Provide proof satisfactory to the Real Estate Division that he has successfully completed at least 24 hours of ~~{classroom}~~ instruction relating to business brokerage; and

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

3. A permit expires on the same date as the license of the holder of the permit expires. A permit may be renewed at the time that a person licensed pursuant to this chapter applies for renewal of his license.

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

(a) Provide proof satisfactory to the Real Estate Division that he has successfully completed at least 3 hours of continuing education required for the renewal of his license pursuant to *the regulations adopted by the Commission pursuant to* NRS 645.575 in an approved educational course, seminar or conference relating to business brokerage.

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

5. The Commission shall adopt such regulations as are necessary to carry out the provisions of this section. The regulations must include, without limitation, provisions that establish:

(a) Requirements for the issuance or renewal of a permit.

(b) Fees for:

(1) The issuance or renewal of a permit;

(2) The cost of any examination required of an applicant for a permit, including, without limitation, any costs which are necessary for the administration of an examination; and

(3) The cost of any investigation of an applicant for a permit.

(c) Standards of education for the approval of a course of instruction to qualify an applicant for the issuance or renewal of a permit.

Sec. 9. Chapter 645C of NRS is hereby amended by adding thereto a new section to read as follows:

1. A certified or licensed appraiser or registered intern shall notify the Division in writing if he is convicted of, or enters a plea of guilty or nolo

1 *contendere to, a felony relating to the practice of appraisers or any offense*
2 *involving moral turpitude.*

3 2. *A certified or licensed appraiser or registered intern shall submit the*
4 *notification required by subsection 1:*

5 (a) *Not more than 10 days after the conviction or entry of the plea of guilty*
6 *or nolo contendere; and*

7 (b) *When submitting an application to renew a certificate, license or*
8 *registration card issued pursuant to this chapter.*

9 **Sec. 10.** NRS 645C.225 is hereby amended to read as follows:

10 645C.225 1. Except as otherwise provided in this section, a complaint filed
11 with the Commission, all documents and other information filed with the complaint
12 and all documents and other information compiled as a result of an investigation
13 conducted to determine whether to initiate disciplinary action are confidential ~~+~~
14 *and may be disclosed in whole or in part only as necessary in the course of*
15 *administering this chapter or to a licensing board or agency or any other*
16 *governmental agency, including, without limitation, a law enforcement agency,*
17 *that is investigating a person who holds a certificate, license or registration card*
18 *issued pursuant to this chapter.*

19 2. The complaint or other document filed by the Commission to initiate
20 disciplinary action and all documents and information considered by the
21 Commission when determining whether to impose discipline are public records.

22 **Sec. 11.** NRS 645C.410 is hereby amended to read as follows:

23 645C.410 1. If an intern for any reason terminates his association with an
24 appraiser, the appraiser shall:

25 (a) Immediately deliver or mail by certified mail to the Division the intern's
26 registration card, together with a written statement of the circumstances
27 surrounding the termination of the association and a copy of the notice required by
28 paragraph (b); and

29 (b) At the time of delivering or mailing the registration card to the Division,
30 advise the intern that his registration card has been forwarded to the Division by
31 mailing notice of that fact to the intern's last known residential address.

32 2. The registration card must be suspended if the intern does not become
33 associated with another certified ~~for licensed~~ appraiser within ~~30~~ 60 days after
34 the termination of his previous association.

35 3. The intern shall not assist in the preparation or communication, whether
36 directly or indirectly, of an appraisal under the authority of his registration card
37 from the date that the registration card is delivered or mailed by the appraiser with
38 whom his association was terminated to the Division, until the date that a new
39 registration card is issued naming another appraiser with whom the intern has
40 become associated.

41 **Sec. 12.** NRS 645C.460 is hereby amended to read as follows:

42 645C.460 1. Grounds for disciplinary action against a certified or licensed
43 appraiser or registered intern include:

44 (a) Unprofessional conduct;

45 (b) Professional incompetence;

46 (c) A criminal conviction for a felony relating to the practice of appraisers or
47 any offense involving moral turpitude; and

48 (d) The suspension or revocation of a registration card, certificate, license or
49 permit to act as an appraiser in any other jurisdiction.

50 2. If grounds for disciplinary action against an appraiser or intern exist, the
51 Commission may do one or more of the following:

52 (a) Revoke or suspend his certificate, license or registration card.

(b) Place conditions upon his certificate, license or registration card, or upon the reissuance of a certificate, license or registration card revoked pursuant to this section.

(c) Deny the renewal of his certificate, license or registration card.

(d) Impose a fine of not more than ~~[\$1,000]~~ \$10,000 for each violation.

3. If a certificate, license or registration card is revoked by the Commission, another certificate, license or registration card must not be issued to the same appraiser or intern for at least 1 year after the date of the revocation, or at any time thereafter except in the sole discretion of the Administrator, and then only if the appraiser or intern satisfies all the requirements for an original certificate, license or registration card.

4. An order that imposes discipline and the findings of fact and conclusions of law supporting that order are public records.

Sec. 13. Chapter 645D of NRS is hereby amended by adding thereto a new section to read as follows:

1. A certified inspector shall notify the Division in writing if he is convicted of, or enters a plea of guilty or nolo contendere to, a felony or any offense involving moral turpitude.

2. A certified inspector shall submit the notification required by subsection 1:

(a) Not more than 10 days after the conviction or entry of the plea of guilty or nolo contendere; and

(b) When submitting an application to renew a certificate issued pursuant to this chapter.

Sec. 14. NRS 645D.135 is hereby amended to read as follows:

645D.135 1. Except as otherwise provided in this section, a complaint filed with the Division, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential ~~[-]~~ *and may be disclosed in whole or in part only as necessary in the course of administering this chapter or to a licensing board or agency or any other governmental agency, including, without limitation, a law enforcement agency, that is investigating a person who holds a certificate issued pursuant to this chapter.*

2. The complaint or other document filed by the Division to initiate disciplinary action and all documents and information considered by the Division when determining whether to impose discipline are public records.

Sec. 15. Chapter 116A of NRS is hereby amended by adding thereto a new section to read as follows:

1. A community manager who holds a certificate and a reserve study specialist who holds a permit shall notify the Division in writing if he is convicted of, or enters a plea of guilty or nolo contendere to, a felony or any offense involving moral turpitude.

2. A community manager or reserve study specialist shall submit the notification required by subsection 1 not more than 10 days after the conviction or entry of the plea of guilty or nolo contendere.

Sec. 16. NRS 116A.270 is hereby amended to read as follows:

116A.270 1. Except as otherwise provided in this section, a complaint filed with the Division alleging a violation of this chapter or chapter 116 of NRS, all documents and other information filed with the complaint and all documents and other information compiled as a result of an investigation conducted to determine whether to initiate disciplinary action are confidential ~~[-]~~ *and may be disclosed in whole or in part only as necessary in the course of administering this chapter or*

1 *to a licensing board or agency or any other governmental agency, including,*
2 *without limitation, a law enforcement agency, that is investigating a person who*
3 *holds a certificate or permit issued pursuant to this chapter.*

4 2. The complaint or other charging documents filed with the Commission to
5 initiate disciplinary action and all documents and other information considered by
6 the Commission or a hearing panel when determining whether to impose discipline
7 are public records.

8 **Sec. 17.** Chapter 119 of NRS is hereby amended by adding thereto the
9 provisions set forth as sections 18 and 19 of this act.

10 **Sec. 18.** 1. *Except as otherwise provided in this section, a complaint filed*
11 *with the Division alleging a violation of this chapter, all documents and other*
12 *information filed with the complaint and all documents and other information*
13 *compiled as a result of an investigation conducted to determine whether to*
14 *initiate disciplinary action are confidential and may be disclosed in whole or in*
15 *part only as necessary in the course of administering this chapter or to a*
16 *licensing board or agency or any other governmental agency, including, without*
17 *limitation, a law enforcement agency, that is investigating a person who holds a*
18 *license or permit issued pursuant to this chapter.*

19 2. *The complaint or other charging documents filed with the Division to*
20 *initiate disciplinary action and all documents and other information considered*
21 *by the Division or a hearing officer when determining whether to impose*
22 *discipline are public records.*

23 **Sec. 19.** 1. *A developer or registered representative shall notify the*
24 *Division in writing if he is convicted of, or enters a plea of guilty or nolo*
25 *contendere to, a felony or any offense involving moral turpitude.*

26 2. *A developer or registered representative shall submit the notification*
27 *required by subsection 1:*

28 (a) *Not more than 10 days after the conviction or entry of the plea of guilty*
29 *or nolo contendere; and*

30 (b) *When submitting an application to renew a license, permit or registration*
31 *issued pursuant to this chapter.*

32 **Sec. 20.** NRS 119.182 is hereby amended to read as follows:

33 119.182 1. The information submitted pursuant to NRS 119.140 must be
34 given to and reviewed with each purchaser by the broker or salesman before the
35 execution of any contract for the sale of any such property. The broker shall obtain
36 from the purchaser a signed receipt for a copy of the information and, if a contract
37 for disposition is entered into, the receipt and a copy of all contracts and
38 agreements must be kept in the broker's files within the State of Nevada for 3 years
39 or 1 year after final payment has been made on any contract for the sale of property,
40 whichever is longer, and is subject to such inspection and audit as may be
41 prescribed by regulations of the Division.

42 2. The purchaser of any subdivision or any lot, parcel, unit or interest in any
43 subdivision, not exempted under the provisions of NRS 119.120 or 119.122 may
44 cancel, by written notice, the contract of sale until midnight of the fifth calendar
45 day following the date of execution of the contract, and the contract must so
46 provide. The right of cancellation may not be waived. Any attempt by the developer
47 to obtain such a waiver results in a contract which is voidable by the purchaser.

48 3. The notice of cancellation may be delivered personally to the developer or
49 sent by certified mail ~~for telegram~~ , *return receipt requested*, to the business
50 address of the developer.

51 4. The developer shall, within 15 days after receipt of the notice of
52 cancellation, return all payments made by the purchaser.

1 **Sec. 21.** Chapter 119A of NRS is hereby amended by adding thereto the
2 provisions set forth as sections 22 and 23 of this act.

3 **Sec. 22.** 1. *Except as otherwise provided in this section, a complaint filed*
4 *with the Division alleging a violation of this chapter, all documents and other*
5 *information filed with the complaint and all documents and other information*
6 *compiled as a result of an investigation conducted to determine whether to*
7 *initiate disciplinary action are confidential and may be disclosed in whole or in*
8 *part only as necessary in the course of administering this chapter or to a*
9 *licensing board or agency or any other governmental agency, including, without*
10 *limitation, a law enforcement agency, that is investigating a person who holds a*
11 *license, registration or permit issued pursuant to this chapter.*

12 2. *The complaint or other charging documents filed with the Administrator*
13 *to initiate disciplinary action and all documents and other information*
14 *considered by the Administrator or a hearing officer when determining whether*
15 *to impose discipline are public records.*

16 **Sec. 23.** 1. *A sales agent, representative, manager, developer or project*
17 *broker shall notify the Division in writing if he is convicted of, or enters a plea of*
18 *guilty or nolo contendere to, a felony or any crime involving moral turpitude.*

19 2. *A sales agent, representative, manager, developer or project broker shall*
20 *submit the notification required by subsection 1:*

21 (a) *Not more than 10 days after the conviction or entry of the plea of guilty*
22 *or nolo contendere; and*

23 (b) *When submitting an application to renew a license, registration or permit*
24 *issued pursuant to this chapter.*

25 **Sec. 24.** NRS 119A.410 is hereby amended to read as follows:

26 119A.410 1. The purchaser of a time share may cancel, by written notice,
27 the contract of sale until midnight of the fifth calendar day following the date of
28 execution of the contract. The contract of sale must include a statement of this right.

29 2. The right of cancellation may not be waived. Any attempt by the developer
30 to obtain a waiver results in a contract which is voidable by the purchaser.

31 3. The notice of cancellation may be delivered personally to the developer or
32 sent by certified mail ~~for telegram~~, *return receipt requested*, to the business
33 address of the developer.

34 4. The developer shall, within 15 days after receipt of the notice of
35 cancellation, return all payments made by the purchaser.

36 **Sec. 25.** Chapter 119B of NRS is hereby amended by adding thereto the
37 provisions set forth as sections 26 and 27 of this act.

38 **Sec. 26.** 1. *Except as otherwise provided in this section, a complaint filed*
39 *with the Division alleging a violation of this chapter, all documents and other*
40 *information filed with the complaint and all documents and other information*
41 *compiled as a result of an investigation conducted to determine whether to*
42 *initiate disciplinary action are confidential and may be disclosed in whole or in*
43 *part only as necessary in the course of administering this chapter or to a*
44 *licensing board or agency or any other governmental agency, including, without*
45 *limitation, a law enforcement agency, that is investigating a person who holds a*
46 *permit issued pursuant to this chapter.*

47 2. *The complaint or other charging documents filed with the Administrator*
48 *to initiate disciplinary action and all documents and other information*
49 *considered by the Administrator when determining whether to impose discipline*
50 *are public records.*

51 **Sec. 27.** 1. *A developer shall notify the Division in writing if he is*
52 *convicted of, or enters a plea of guilty or nolo contendere to, a felony or any*
53 *crime involving moral turpitude.*

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- 1 2. *A developer shall submit the notification required by subsection 1:*
2 (a) *Not more than 10 days after the conviction or entry of the plea of guilty*
3 *or nolo contendere; and*
4 (b) *When submitting an application to renew a permit issued pursuant to this*
5 *chapter.*