

Amendment No. 803

Senate Amendment to Assembly Bill No. 524

(BDR 54-1199)

Proposed by: Senate Committee on Commerce, Labor and Energy**Amendment Box:** Replaces Amendment No. 708.**Amends:** Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will:

- (1) MAINTAIN the 2/3s majority vote requirement for final passage of A.B. 524 (§§ 2, 5, 7).
 (2) ADD an appropriation where one does not currently exist in A.B. 524.

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date	
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____		Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Receded	<input type="checkbox"/>	Not	<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 underlining* is newly added transitory language.

MSN/TMC



Date: 5/28/2011

A.B. No. 524—Increases certain fees for residential and general appraisers to cover an increase in federal registry fees. (BDR 54-1199)



ASSEMBLY BILL NO. 524—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DIVISION OF BUDGET AND PLANNING)

MARCH 28, 2011

Referred to Committee on Ways and Means

SUMMARY—~~[Increases certain fees for residential and general appraisers to cover an increase in federal registry fees.]~~ Revises provisions relating to appraisers of real estate. (BDR 54-1199)

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

~

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

AN ACT relating to appraisers of real estate; revising provisions governing continuing education requirements for certified and licensed appraisers and registered interns; requiring the Commission of Appraisers of Real Estate to establish certain requirements concerning continuing education; requiring the Commission to establish certain fees relating to continuing education; requiring the Real Estate Division of the Department of Business and Industry to conduct certain investigations and examinations of each certified or licensed appraiser; requiring an appraiser who is investigated or examined by the Division to pay certain costs relating to the investigation or examination; authorizing the Division to contract for or procure the services of certain persons to assist in or carry out investigations and examinations of appraisers; revising certain fees for the issuance or renewal of a license or certificate; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires an appraiser to complete certain continuing education as a condition for the renewal or reinstatement of a certificate or license and further requires the Commission of Appraisers of Real Estate to adopt regulations governing the continuing education requirements for appraisers. (NRS 645C.430, 645C.440) Section 2 of this bill requires appraisers and interns to complete a course of continuing education which must include education in ethics and issues relating to the appraisal of real property with an emphasis on trends and market conditions in Nevada and any changes in law which affect the appraisal of real property. Section 2 requires the Commission to establish a reasonable fee for the cost of the course. Section 2 additionally requires the Real Estate Division of the Department of Business and Industry to develop the curriculum for the course and submit the curriculum to the Commission for approval.

Section 3 of this bill creates the Account for Real Estate Appraisal Audit and Education in the State General Fund and provides that the fees collected by the Division for the cost of the course of continuing education required by section 2 must be deposited in the Account and used to defray the costs of the Commission and the Division in carrying out the provisions of section 2.

Section 4 of this bill requires the Division to conduct an examination and investigation of each certified or licensed appraiser not less frequently than every 4 years. Section 4 authorizes the Division to contract for and procure the services of examiners and other specialized technical or professional assistance as may reasonably be required to carry out such examinations and investigations. Section 5 of this bill requires an appraiser who is subject to such examination or investigation to pay certain costs relating to the examination or investigation. Section 6 of this bill requires that all money collected pursuant to section 5 be used to pay the expenses relating to the examination or investigation of an appraiser or for any other purpose authorized by the Legislature.

Section 7.7 of this bill requires the Real Estate Administrator to employ an administrative assistant and an investigator to carry out the provisions of this bill and makes an appropriation from the State General Fund to the Real Estate Administration Account in Fiscal Year 2011-2012 and Fiscal Year 2012-2013 to pay the salaries and related expenses of these two new positions.

Under existing law, a fee of \$290 is charged for the issuance or biennial renewal of a license or certificate as a residential appraiser, and a fee of \$390 is charged for the issuance or biennial renewal of a certificate as a general appraiser. (NRS 645C.450) A portion of that fee, currently \$50, is retained by the Real Estate Division ~~(of the Department of Business and Industry)~~ for payment of the registry fee to the Federal Financial Institutions Examination Council. (NRS 645C.240) On July 21, 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank Act) was signed into law. (Pub. L. No. 111-203, 124 Stat. 1376) The Dodd-Frank Act revised 12 U.S.C. § 3338 to increase the annual registry fee from \$25 to \$40.

~~(This)~~ Section 7 of this bill increases the biennial fees charged for the issuance or renewal of a license or certificate as a residential appraiser and for the issuance or renewal of a certificate as a general appraiser by \$30 to cover the annual \$15 increase in the federal registry fee.

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

Section 1. Chapter 645C of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 6, inclusive, of this act.

Sec. 2. 1. As a condition of the renewal or reinstatement of a certificate, license or registration issued pursuant to this chapter, and as a component of the continuing education required pursuant to NRS 645C.430 and 645C.440, each certified appraiser, licensed appraiser and registered intern in this State shall complete a course of continuing education which meets the requirements established by the Commission pursuant to paragraph (a) of subsection 2 and pay to the Division the fee established by the Commission pursuant to paragraph (b) of subsection 2.

2. The Commission shall by regulation establish:

(a) The requirements for a course of continuing education which must include, without limitation, education in ethics and issues relating to the appraisal of real property with an emphasis on trends and market conditions in this State and any changes in the law in this State which affect the appraisal of real property; and

(b) A reasonable fee for the cost of the course of continuing education required by this section.

1 3. The Division shall develop the curriculum for the course of continuing
2 education required by this section in accordance with the requirements
3 established by the Commission pursuant to subsection 2 and submit the
4 curriculum to the Commission for approval.

5 Sec. 3. 1. The Account for Real Estate Appraisal Audit and Education is
6 hereby created in the State General Fund. The Administrator shall administer the
7 Account.

8 2. All money paid to the Division pursuant to section 2 of this act must be
9 deposited in the Account. All interest and income earned on money in the
10 Account must be credited to the Account. The money in the Account does not
11 revert to the State General Fund at the end of any fiscal year.

12 3. All claims against the Account must be paid as other claims against the
13 State are paid.

14 4. The money in the Account must be used to defray the costs and expenses
15 incurred by the Commission and the Division in carrying out the provisions of
16 section 2 of this act and may be used to defray any other costs incurred by the
17 Division in enforcing the provisions of this chapter.

18 Sec. 4. 1. In addition to any other examinations and investigations
19 expressly authorized, the Division shall, not less frequently than every 4 years,
20 conduct an examination and investigation of each certified or licensed appraiser
21 to determine whether any such appraiser has violated the Uniform Standards of
22 Appraisal Practice of the Appraisal Institute or its successor or any provision of
23 this chapter or to secure information useful in the lawful enforcement or
24 administration of any such uniform standard or provision of law. Such
25 examinations and investigations must include, without limitation:

26 (a) An examination of the appraisals, work files and records of each certified
27 or licensed appraiser; and

28 (b) If an appraiser is not a resident of this State, submission to the Division
29 by the appraiser of a log of appraisals performed by the appraiser from which the
30 Division may select appraisals to be submitted to the Division for review.

31 2. The Division may contract for and procure the services of examiners and
32 other specialized technical or professional assistance, as independent contractors
33 or for a fee, as may reasonably be required to carry out the provisions of this
34 section. None of the persons providing those services or assistance pursuant to a
35 contract or for a fee may be in the classified service of the State.

36 3. The Division may adopt regulations to carry out the provisions of this
37 section.

38 Sec. 5. The expenses of the examination or investigation of an appraiser
39 pursuant to section 4 of this act must be borne by the person examined or
40 investigated. Such expenses include only the reasonable and proper expenses of
41 the Administrator, the employees of the Division and the examiners and
42 assistants of the Division, including expert assistance and reasonable
43 compensation as to such examiners and assistants incurred in the examination or
44 investigation. The person examined or investigated shall promptly pay to the
45 Division the expenses of the examination or investigation upon presentation by
46 the Division of a reasonably detailed written statement thereof.

47 Sec. 6. All money received by the Division pursuant to section 5 of this act
48 and all interest and income earned on such money must be deposited with the
49 State Treasurer for credit to the State General Fund and:

50 1. Must be used to pay the compensation and other necessary and
51 authorized expenses incurred by an employee, examiner, assistant or other
52 representative of the Division in the examination or investigation of any person

required to pay, and making payment of, the expenses of the examination or investigation pursuant to section 5 of this act; and

2. May be expended for any other purpose authorized by the Legislature.

~~[Section 1.]~~ Sec. 7. NRS 645C.450 is hereby amended to read as follows:

645C.450 1. The following fees may be charged and collected by the Division:

Application for a certificate, license or registration card.....	\$100
Issuance or renewal of a certificate or license as a residential appraiser.....	[290] 320
Issuance or renewal of a certificate as a general appraiser	[390] 420
Issuance of a permit.....	115
Issuance or renewal of a registration card	190
Issuance of a duplicate certificate or license for an additional office	50
Change in the name or location of a business.....	20
Reinstatement of an inactive certificate or license	30
Annual approval of a course of instruction offered in preparation for an initial certificate or license.....	100
Original approval of a course of instruction offered for continuing education	100
Renewal of approval of a course of instruction offered for continuing education	50

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

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

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

Sec. 7.5. The Real Estate Division of the Department of Business and Industry and the Commission of Appraisers of Real Estate shall adopt the regulations required by this act on or before December 31, 2011.

Sec. 7.7. 1. To carry out the provisions of sections 2 to 6, inclusive, of this act, the Real Estate Administrator shall employ an investigator and an administrative assistant who are in the classified service of the State.

2. There is hereby appropriated from the State General Fund to the Real Estate Administration Account:

(a) For the 2011-2012 Fiscal Year the sum of \$80,880.

(b) For the 2012-2013 Fiscal Year the sum of \$105,787.

3. The money appropriated by subsection 2 must be expended to pay the salaries and related expenses of the positions authorized by subsection 1.

4. Any remaining balance of the appropriation made by paragraph (a) of subsection 2 must be transferred and added to the money appropriated by paragraph (b) of subsection 2 and may be expended as that money is expended.

5. Any remaining balance of the appropriation made by subsection 2 must not be committed for expenditure after June 30, 2013, and must be reverted to the State General Fund on or before September 20, 2013.

~~[Sec. 2.]~~ Sec. 8. 1. This section becomes effective upon passage and approval.

2. Sections 1 to 7.5, inclusive, of this act ~~(becomes)~~ become effective upon passage and approval for the purpose of adopting regulations and on January 1, 2012, ~~[.]~~, for all other purposes.

1 3. Except as otherwise provided in subsection 4, section 7.7 of this act
2 becomes effective on July 1, 2011.

3 4. Paragraph (b) of subsection 2 of section 7.7 of this act becomes
4 effective on July 1, 2012.