

Amendment No. 973

Assembly Amendment to Assembly Bill No. 475 (BDR 54-1171)

Proposed by: Assembly Committee on Ways and Means

Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will REMOVE the 2/3s majority vote requirement from A.B. 475.

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) variations of *green bold underlining* is language proposed to be added 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 proposed to be retained in this amendment.

RAE/JRS



Date: 5/27/2015

A.B. No. 475—Revises provisions governing the financial administration of the Real Estate Division of the Department of Business and Industry. (BDR 54-1171)



ASSEMBLY BILL NO. 475—COMMITTEE ON WAYS AND MEANS

(ON BEHALF OF THE DEPARTMENT OF ADMINISTRATION)

MARCH 23, 2015

Referred to Committee on Ways and Means

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

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

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

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

Legislative Counsel's Digest:

~~Under existing law, money collected by the Real Estate Division of the Department of Business and Industry must be deposited in the State General Fund and any money required for the administration of the Division must be legislatively appropriated from the State General Fund in the same manner as all other legislative appropriations. (NRS 116A.220, 119.118, 645.140, 645C.240, 645D.140, 645H.250) Section 1 of this bill creates an Account for Real Estate Administration in the State General Fund to pay for administrative expenses of the Division. Sections 1, 5, 7, 10 and 12 of this bill provide that all money collected by the Division must be credited to the Account for Real Estate Administration and used to pay for administrative expenses of the Division. Sections 1, 5, 7, 10 and 12 also create a reserve within the Account equal to 3 months of budgeted expenditures for the next fiscal year and provide that any surplus in the Account not needed to maintain the reserve must be deposited in the State General Fund. Section 10 provides that a certain portion of the money collected by the Commission for Common Interest Communities and Condominium Hotels must also be credited to the Account for Real Estate Administration and used to pay for administrative expenses of the Division.)~~

Existing law provides that: (1) the initial period of licensure for an original license as a real estate broker, broker-salesperson or salesperson is 24 months beginning on the first day of the first calendar month after the original license is issued by the **Real Estate Division, ~~of~~ of the Department of Business and Industry;** and (2) each subsequent period of licensure is 48 consecutive months. Existing law also provides that any other licenses issued pursuant to chapter 645 of NRS are issued for a period of 48 consecutive months. (NRS 645.780) **Sections 2 and 3** of this bill reduce the period of initial licensure for a license as a real estate broker, broker-salesperson or salesperson from 24 to 12 consecutive months and each subsequent period of licensure from 48 to 24 consecutive months. **Section 3** also decreases the

period of licensure for other licenses issued by the Division from 48 to 24 consecutive months. **Section 13** of this bill provides that existing licenses issued by the Division before July 1, 2015, do not need to be renewed until the expiration date listed on the license.

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

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

Section 1. NRS 645.140 is hereby amended to read as follows:

645.140 1. ~~[There is hereby created the Account for Real Estate Administration in the State General Fund. The Administrator shall administer the Account.~~

~~2. All claims against the Account must be paid as other claims against the State are paid.~~

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

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

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

~~6.]~~ 2. The fees received by the Division :

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

(b) For ~~for~~ examinations ~~it~~ must be retained by the Division to pay the costs of the administration of examinations.

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

~~124~~ 3. Money for the support of the Division must be provided by direct legislative appropriation, and be paid out on claims as other claims against the State are paid.

~~13.~~ ~~Account.~~

~~74~~ 4. Each member of the Commission is entitled to receive:

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

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

~~14-87~~ 5. While engaged in the business of the Commission, each employee of the Commission is entitled to receive a per diem allowance and travel expenses at a rate fixed by the Commission. The rate must not exceed the rate provided for state officers and employees generally.

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

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

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

3. Except as otherwise provided in NRS 645.785:

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

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

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

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

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

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

(a) Provides for a different license period; or

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

4. The Division may:

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

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

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

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

For each original real estate broker's, broker-salesperson's or corporate broker's license.....	15210 1251 <u>105</u>
For each original real estate salesperson's license.....	170 1051 <u>85</u>
For each original branch office license	240 1401 <u>120</u>
For real estate education, research and recovery to be paid at the time an application for an original license is filed	40
For real estate education, research and recovery to be paid at the time an application for renewal of a license is filed	180 601 <u>40</u>
For each renewal of a real estate broker's, broker-salesperson's or corporate broker's license.....	360 2001 <u>180</u>
For each renewal of a real estate salesperson's license.....	280 1801 <u>140</u>
For each renewal of a real estate branch office license.....	220 1301 <u>110</u>
For each penalty for late filing of a renewal for a broker's, broker-salesperson's or corporate broker's license.....	180 1151 <u>95</u>
For each penalty for late filing of a renewal for a salesperson's license	140 951 <u>75</u>
For each change of name or address	20
For each transfer of a real estate salesperson's or broker-salesperson's license and change of association or employment	20
For each duplicate license where the original license is lost or destroyed, and an affidavit is made thereof	20
For each change of broker status from broker to broker-salesperson.....	20
For each change of broker status from broker- salesperson to broker	40
For each reinstatement to active status of an inactive real estate broker's, broker-salesperson's or salesperson's license.....	20
For each reinstatement of a real estate broker's license when the licensee fails to give immediate written notice to the Division of a change of name or business location	<u>30</u> 1601

For each reinstatement of a real estate salesperson's or broker-salesperson's license when he or she fails to notify the Division of a change of broker within 30 days of termination by previous broker	<u>30</u> 160
For each original registration of an owner-developer	125
For each annual renewal of a registration of an owner-developer	125
For each enlargement of the area of an owner-developer's registration	50
For each cooperative certificate issued to an out-of-state broker licensee for 1 year or fraction thereof	150
For each original accreditation of a course of continuing education	100
For each renewal of accreditation of a course of continuing education	50
For each annual approval of a course of instruction offered in preparation for an original license or permit	100

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

(a) Any university, state college or community college of the Nevada System of Higher Education.

(b) Any agency of the State.

(c) Any regulatory agency of the Federal Government.

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

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

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

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

~~3.~~ Fees received by the Division :

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

(b) For ~~for~~ examinations ~~it~~ must be retained by the Division to pay the costs of the administration of examinations.

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

~~3. Account.~~

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

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

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

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

2. Money for the support of the Division in carrying out the provisions of this chapter must be provided by direct legislative appropriation and be paid out on claims as other claims against the State are paid. *The Commission and the Division shall deposit any money collected from the imposition of any administrative fine or penalty pursuant to this chapter with the State Treasurer for credit to the State General Fund. The Commission or Division may present a claim to the State Board of Examiners for recommendation to the Interim Finance Committee if money is required to pay attorney's fees or the costs of an investigation, or both.*

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

~~645H.350 [1. All fees and administrative fines] Except as otherwise provided in this section, all money~~ received by the Division pursuant to this chapter must be deposited with the State Treasurer for credit to the ~~[State General Fund]~~.

~~2. Money for the support of the Division in carrying out the provisions of this chapter must be provided by direct legislative appropriation and be paid out on claims as other claims against the State are paid.] Account for Real Estate Administration created by NRS 645.140 and accounted for separately to provide the money authorized for expenditure by the Division to carry out the provisions of this chapter. Any surplus money from the fees collected pursuant to this chapter which is not necessary to maintain the reserve required pursuant to NRS 645.140 must be deposited with the State Treasurer for credit to the State General Fund.] (Deleted by amendment.)~~

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

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

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

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

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

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

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

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

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

~~116A.220 1. Except as otherwise provided in subsection 2, all money received by the Commission, a hearing panel or the Division pursuant to this chapter must be deposited [into the Account for Common Interest Communities and Condominium Hotels created pursuant to NRS 116.620.] with the State Treasurer for credit to the Account for Real Estate Administration created by NRS 645.140 and accounted for separately to provide the money authorized for expenditure by the Division to carry out the provisions of this chapter. Any surplus money from the fees collected pursuant to this chapter which is not necessary to maintain the reserve required pursuant to NRS 645.140 must be deposited with the State Treasurer for credit to the State General Fund.~~

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

~~3. Money for the support of the Commission and Division in carrying out the provisions of this chapter must be provided by direct legislative appropriation and be paid out on claims as other claims against the State are paid ++ (Deleted by amendment.)~~

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

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

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

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

Sec. 12. ~~NRS 119.118 is hereby amended to read as follows:~~

~~119.118 [All] Except as otherwise provided in NRS 119.150, all fees and charges received by the Division [shall] must be deposited in the [General Fund in the State Treasury. Funds for the support of the Division shall be provided by direct~~

1 ~~legislative appropriation, and shall be paid out on claims as other claims against the~~
2 ~~State are paid.] Account for Real Estate Administration created by NRS 645.140~~
3 ~~and accounted for separately to provide the money authorized for expenditure by~~
4 ~~the Division to carry out the provisions of this chapter. Any surplus money from~~
5 ~~the fees collected pursuant to this chapter which is not necessary to maintain the~~
6 ~~reserve required pursuant to NRS 645.140 must be deposited with the State~~
7 ~~Treasurer for credit to the State General Fund.] (Deleted by amendment.)~~

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

13 **Sec. 14.** ~~[NRS 645C.610 is hereby repealed.] (Deleted by amendment.)~~

14 **Sec. 15.** This act becomes effective ~~+~~

15 ~~1. Upon passage and approval for the purpose of performing any preparatory,~~
16 ~~administrative tasks or adopting any regulations that are necessary to carry out the~~
17 ~~provisions of this act; and~~

18 ~~2. On on July 1, 2015, ~~+~~, for all other purposes.~~

~~TEXT OF REPEALED SECTION~~

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