

SENATE BILL NO. 280—SENATOR SCHEIBLE

MARCH 18, 2021

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to the Real Estate Commission. (BDR 54-247)

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; increasing the membership of the Real Estate Commission from five members to seven members; requiring that the two additional members of the Commission reside in or have a principal place of business in Clark and Washoe Counties, respectively; requiring a member of the Commission to be a citizen or legal resident of the United States; requiring at least one member of the Commission to be a person who advocates for consumer's rights and at least one member of the Commission to be an employee of certain entities that provide affordable housing; requiring the Governor to appoint the two new members to serve on the Commission with attenuated terms; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law creates the Real Estate Commission, consisting of five members
2 who are appointed by the Governor. (NRS 645.050) Existing law provides that of
3 the five members: (1) three must reside in or have a principal place of business in
4 Clark County; (2) one must reside in or have a principal place of business in
5 Washoe County; and (3) one must reside in or have a principal place of business
6 in Carson City or Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander,
7 Lincoln, Lyon, Mineral, Nye, Pershing, Storey or White Pine County. (NRS
8 645.100) **Section 1** of this bill increases the size of the Commission from five
9 members to seven members. **Section 3** of this bill requires that of the seven
10 members: (1) four must reside in or have a principal place of business in Clark
11 County; and (2) two must reside in or have a principal place of business in Washoe
12 County.



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Existing law requires each member of the Commission to: (1) be a citizen of the United States; (2) have been a resident of this state for not less than 5 years; and (3) have been actively engaged in business as a real estate broker in this State for at least 3 years or as a real estate broker-salesperson in this State for at least 5 years before appointment to the Commission. (NRS 645.090) **Section 2** of this bill requires each member of the Commission to be a citizen or legal resident of the United States and to: (1) have been actively engaged in business as a real estate broker in this State for at least 3 years before appointment to the Commission; (2) have been actively engaged in business as a real estate broker-salesperson in this State for at least 5 years before appointment to the Commission; (3) be a person who advocates for the rights of a consumer; or (4) be an employee of an organization that provides affordable housing or an employee of an affordable housing entity. **Section 3** requires in addition that of the seven members appointed to the Commission: (1) at least one must be a person who advocates for the rights of a consumer; and (2) at least one must be an employee of an organization that provides affordable housing or an employee of an affordable housing entity.

Section 4 of this bill makes a conforming change by updating existing references to subsections of **section 3** to reflect changes made by this bill. **Section 5** of this bill requires that as soon as practicable after July 1, 2021, the Governor appoint to the Commission: (1) one member who is a person who advocates for the rights of a consumer to serve on the Commission for a 1-year term; and (2) one member who is an employee of an organization that provides affordable housing or an employee of an affordable housing entity to serve on the Commission for a 2-year term. **Section 5** provides that these terms do not apply to computing the 6 years' consecutive service cap that applies to members of the Commission. (NRS 645.060)

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

Section 1. NRS 645.050 is hereby amended to read as follows:
645.050 1. The Real Estate Commission is hereby created.
The Commission consists of ~~five~~ *seven* members appointed by the Governor.

2. The Commission shall act in an advisory capacity to the Real Estate Division, adopt regulations and conduct hearings as provided in this chapter. The Commission shall adopt regulations establishing standards for the operation of licensees' offices and for their business conduct and ethics.

3. The Commission may by regulation delegate any authority conferred upon it by this chapter to the Administrator to be exercised pursuant to the regulations of the Commission.

4. Service of process and other communications upon the Commission may be made at the principal office of the Real Estate Division.

Sec. 2. NRS 645.090 is hereby amended to read as follows:

645.090 1. Each member of the Commission must:
~~Be~~ (a) Be a citizen *or legal resident* of the United States ~~;~~ ;
and



~~[2.]~~ (b) Have been a resident of the State of Nevada for not less than 5 years.

~~[3. Have been actively engaged in business as:~~

~~—(a) A]~~

2. In addition to the requirements set forth in subsection 1, each member of the Commission must:

(a) *Have been actively engaged in business as a* real estate broker within the State of Nevada for at least 3 years immediately preceding the date of appointment; ~~[or]~~

(b) ~~[A]~~ *Have been actively engaged in business as a* real estate broker-salesperson within the State of Nevada for at least 5 years immediately preceding the date of appointment ~~[+]~~;

(c) *Be a person who advocates for the rights of a consumer; or*

(d) *Be an employee of:*

(1) An organization that provides affordable housing; or

(2) An affordable housing entity.

3. As used in this section:

(a) *"Affordable housing" has the meaning ascribed to it in NRS 278.0105.*

(b) *"Affordable housing entity" has the meaning ascribed to it in NRS 315.725.*

Sec. 3. NRS 645.100 is hereby amended to read as follows:

645.100 1. Of the ~~[five]~~ *seven* members appointed to the Commission pursuant to NRS 645.050:

(a) ~~[Three]~~ *Four* members must reside in or have a principal place of business located in Clark County;

(b) ~~[One member]~~ *Two members* must reside in or have a principal place of business located in Washoe County; and

(c) One member must reside in or have a principal place of business located in Carson City or Churchill, Douglas, Elko, Esmeralda, Eureka, Humboldt, Lander, Lincoln, Lyon, Mineral, Nye, Pershing, Storey or White Pine County.

2. In addition to the requirements of subsection 1, of the seven members appointed to the Commission pursuant to NRS 645.050:

(a) At least one member must meet the requirements of paragraph (c) of subsection 2 of NRS 645.090; and

(b) At least one member must meet the requirements of paragraph (d) of subsection 2 of NRS 645.090.

3. For purposes of appointing a member or filling a vacancy in the membership of the Commission, if no qualified person is willing to serve on the Commission from the region prescribed in:

(a) Paragraph (a) of subsection 1, the Governor must appoint a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (c) of subsection 1 or, if there is



no such person, a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (b) of subsection 1.

(b) Paragraph (b) of subsection 1, the Governor must appoint a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (a) of subsection 1 or, if there is no such person, a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (c) of subsection 1.

(c) Paragraph (c) of subsection 1, the Governor must appoint a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (b) of subsection 1 or, if there is no such person, a qualified person who is willing to serve on the Commission from the region prescribed in paragraph (a) of subsection 1.

➔ If there is no qualified person willing to be appointed or to fill a vacancy on the Commission from any region, the seat must be left vacant.

~~[3-]~~ 4. At the expiration of the term of a member who is appointed from outside a prescribed region pursuant to paragraph (a), (b) or (c) of subsection ~~[2-]~~ 3 or if that member vacates the seat, the Governor must appoint a qualified person from the prescribed region or, if no qualified person is willing to serve on the Commission from that region, appoint a qualified person pursuant to paragraph (a), (b) or (c) of subsection ~~[2-]~~ 3, as applicable.

~~[4-]~~ 5. The apportionment of members pursuant to subsection 1 is intended to give approximately proportional regional representation on the Commission to the residents of this State. In each regular legislative session following the completion of a decennial census conducted by the Bureau of the Census of the United States Department of Commerce, the apportionment of members on the Commission must be reconsidered to ensure approximately proportional regional representation is maintained. Any reapportionment of a seat pursuant to this subsection does not become effective until the expiration of the term of the member who holds the seat immediately preceding the date of the reapportionment.

Sec. 4. NRS 645.170 is hereby amended to read as follows:

645.170 1. The Director shall designate the location of the principal office of the Real Estate Division. The Administrator shall conduct business primarily in the principal office of the Real Estate Division.

2. If the principal office of the Real Estate Division is located in:



(a) The southern district of Nevada created pursuant to subsection ~~3~~ 4 of NRS 645.100, the Real Estate Division shall establish at least one branch office in the northern district of Nevada created pursuant to subsection ~~4~~ 5 of NRS 645.100.

(b) The northern district of Nevada, the Real Estate Division shall establish at least one branch office in the southern district of Nevada.

3. The Real Estate Division may designate other convenient places within the State for the establishment of branch offices.

Sec. 5. 1. As soon as practicable after July 1, 2021, the Governor shall appoint to the Commission:

(a) One member described in paragraph (a) of subsection 2 of section 3 of this act to a term which expires on June 30, 2022; and

(b) One member described in paragraph (b) of subsection 2 of section 3 of this act to a term which expires on June 30, 2023.

2. If a member is appointed pursuant to subsection 1, the time served by the appointed member as specified in subsection 1 shall not apply in computing the 6 years' consecutive service set forth in NRS 645.060.

3. As used in this section, "Commission" means the Real Estate Commission created by NRS 645.050.

Sec. 6. This act becomes effective on July 1, 2021.

