

ASSEMBLY BILL NO. 258—ASSEMBLYMEMBERS MOORE;
KASAMA AND LA RUE HATCH

FEBRUARY 18, 2025

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to brokerage agreements.
(BDR 54-741)

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; requiring brokerage agreements to be in writing; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law provides for the licensure and regulation of real estate brokers,
2 real estate broker-salespersons and real estate salespersons by the Real Estate
3 Division of the Department of Business and Industry. (Chapter 645 of NRS)
4 Existing law defines “brokerage agreement” to mean an oral or written contract
5 between a client and a broker in which the broker agrees to accept valuable
6 consideration from the client for assisting, soliciting or negotiating the sale,
7 purchase, option, rental or lease of real property, or the sale, exchange, option or
8 purchase of a business. (NRS 645.005) Existing law imposes various requirements
9 relating to such brokerage agreements, including, without limitation, requirements
10 concerning: (1) the duties of a licensee who has entered into a brokerage agreement
11 to represent a client in a real estate transaction; (2) the delivery of a copy of a
12 brokerage agreement to a client; and (3) the form and contents of a brokerage
13 agreement which includes a provision for exclusive representation. (NRS 645.254,
14 645.300, 645.320) **Section 2** of this bill revises the definition of “brokerage
15 agreement” to remove provisions which provide that an oral contract may constitute
16 a brokerage agreement, thereby requiring a brokerage agreement to be in writing.
17 **Sections 1, 3 and 5** of this bill revise references to written brokerage
18 agreements to reflect that, under **section 2**, a contract is required to be in writing to
19 constitute a brokerage agreement. **Section 4** of this bill similarly eliminates a
20 requirement that certain brokerage agreements be in writing which is made
21 redundant by **section 2**.



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

1 **Section 1.** NRS 624.031 is hereby amended to read as follows:

2 624.031 The provisions of this chapter do not apply to:

3 1. Work performed exclusively by an authorized representative
4 of the United States Government, the State of Nevada, or an
5 incorporated city, county, irrigation district, reclamation district, or
6 other municipal or political corporation or subdivision of this State.

7 2. Any entity that is recognized as exempt under section
8 501(c)(3) of the Internal Revenue Code, 26 U.S.C. § 501(c)(3),
9 which:

10 (a) Enters into a contract or other agreement with the State of
11 Nevada, or an incorporated city, county, irrigation district,
12 reclamation district, or other municipal or political corporation or
13 subdivision of this State, to facilitate the repair or maintenance of
14 properties, including, without limitation, weatherization and energy
15 efficiency services;

16 (b) Facilitates work to be performed on such a property by a
17 person licensed pursuant to this chapter; and

18 (c) Is a party with the owner of such a property and a person
19 licensed pursuant to this chapter to a contract or agreement for the
20 work on the property.

21 3. An officer of a court when acting within the scope of his or
22 her office.

23 4. Work performed exclusively by a public utility operating
24 pursuant to the regulations of the Public Utilities Commission of
25 Nevada on construction, maintenance and development work
26 incidental to its business.

27 5. An owner of property who is building or improving a
28 residential structure on the property for his or her own occupancy
29 and not intended for sale or lease. The sale or lease, or the offering
30 for sale or lease, of the newly built structure within 1 year after its
31 completion creates a rebuttable presumption for the purposes of this
32 section that the building of the structure was performed with the
33 intent to sell or lease that structure. An owner of property who
34 requests an exemption pursuant to this subsection must apply to the
35 Board for the exemption. The Board shall adopt regulations setting
36 forth the requirements for granting the exemption.

37 6. Any work to repair or maintain property the value of which
38 is less than \$1,000, including labor and materials, unless:

39 (a) A building permit is required to perform the work;

40 (b) The work is of a type performed by a plumbing, electrical,
41 refrigeration, heating or air-conditioning contractor;



1 (c) The work is of a type performed by a contractor licensed in a
2 classification prescribed by the Board that significantly affects the
3 health, safety and welfare of members of the general public;

4 (d) The work is performed as a part of a larger project:

5 (1) The value of which is \$500 or more; or

6 (2) For which contracts of less than \$500 have been awarded
7 to evade the provisions of this chapter; or

8 (e) The work is performed by a person who is licensed pursuant
9 to this chapter or by an employee of that person.

10 7. The sale or installation of any finished product, material or
11 article of merchandise which is not fabricated into and does not
12 become a permanent fixed part of the structure.

13 8. The construction, alteration, improvement or repair of
14 personal property.

15 9. The construction, alteration, improvement or repair financed
16 in whole or in part by the Federal Government and conducted within
17 the limits and boundaries of a site or reservation, the title of which
18 rests in the Federal Government.

19 10. An owner of property, the primary use of which is as an
20 agricultural or farming enterprise, building or improving a structure
21 on the property for his or her use or occupancy and not intended for
22 sale or lease.

23 11. Construction oversight services provided to a long-term
24 recovery group by a qualified person within a particular geographic
25 area that is described in a proclamation of a state of emergency or
26 declaration of disaster by the State or Federal Government,
27 including, without limitation, pursuant to NRS 414.070. A long-
28 term recovery group may reimburse such reasonable expenses as the
29 qualified person incurs in providing construction oversight services
30 to that group. Except as otherwise provided in this subsection,
31 nothing in this subsection authorizes a person who is not a licensed
32 contractor to perform the acts described in paragraphs (a) and (b) of
33 subsection 1 of NRS 624.700. As used in this subsection:

34 (a) "Construction oversight services" means the coordination
35 and oversight of labor by volunteers.

36 (b) "Long-term recovery group" means a formal group of
37 volunteers coordinating response and recovery efforts related to a
38 state of emergency or disaster that is proclaimed or declared by the
39 State or Federal Government.

40 (c) "Qualified person" means a person who possesses the
41 abilities, education, experience, knowledge, skills and training that a
42 long-term recovery group has identified as being necessary to
43 provide construction oversight services for a project to be performed
44 by that group.



1 12. A person licensed as a real estate broker, real estate broker-
2 salesperson or real estate salesperson pursuant to chapter 645 of
3 NRS who, acting within the scope of the license or a permit to
4 engage in property management issued pursuant to NRS 645.6052,
5 assists a client in scheduling work to repair or maintain residential
6 property pursuant to a ~~written~~ brokerage agreement or a property
7 management agreement. Such assistance includes, without
8 limitation, assisting a client in the hiring of any number of licensed
9 contractors to perform the work. Nothing in this subsection
10 authorizes the performance of any work for which a license is
11 required pursuant to this chapter by a person who is not licensed
12 pursuant to this chapter or the payment of any additional
13 compensation to a person licensed as a real estate broker, real estate
14 broker-salesperson or real estate salesperson for assisting a client in
15 scheduling the work. The provisions of this subsection apply only if
16 a building permit is not required to perform the work and if the
17 value of the work does not exceed \$10,000 per residential property
18 during the fixed term of the ~~written~~ brokerage agreement, if the
19 assistance is provided pursuant to such an agreement, or during a
20 period not to exceed 6 months if the assistance is provided pursuant
21 to a property management agreement. As used in this subsection:

22 (a) "Brokerage agreement" has the meaning ascribed to it in
23 NRS 645.005.

24 (b) "Property management agreement" has the meaning ascribed
25 to it in NRS 645.0192.

26 (c) "Real estate broker" has the meaning ascribed to it in
27 NRS 645.030.

28 (d) "Real estate broker-salesperson" has the meaning ascribed to
29 it in NRS 645.035.

30 (e) "Real estate salesperson" has the meaning ascribed to it in
31 NRS 645.040.

32 (f) "Residential property" means:

33 (1) Improved real estate that consists of not more than four
34 residential units; or

35 (2) A single-family residential unit, including a
36 condominium, townhouse or home within a subdivision, if the unit
37 is sold, leased or otherwise conveyed unit by unit, regardless of
38 whether the unit is part of a larger building or parcel that consists of
39 more than four units.

40 **Sec. 2.** NRS 645.005 is hereby amended to read as follows:

41 645.005 "Brokerage agreement" means ~~an oral or~~ a written
42 contract between a client and a broker in which the broker agrees to
43 accept valuable consideration from the client or another person for
44 assisting, soliciting or negotiating the sale, purchase, option, rental
45 or lease of real property, or the sale, exchange, option or purchase of



1 a business. The term does not include a property management
2 agreement.

3 **Sec. 3.** NRS 645.300 is hereby amended to read as follows:

4 645.300 When a licensee prepares or has prepared a ~~{written}~~
5 brokerage agreement authorizing or employing the licensee to
6 purchase or sell real estate for compensation or commission, the
7 licensee shall deliver a copy of the ~~{written}~~ brokerage agreement to
8 the client signing it at the time the signature is obtained, if possible,
9 or otherwise within a reasonable time thereafter. Receipt for the
10 copy may be made on the face of the ~~{written}~~ brokerage agreement.

11 **Sec. 4.** NRS 645.320 is hereby amended to read as follows:

12 645.320 Every brokerage agreement which includes a
13 provision for an exclusive agency representation must:

14 1. ~~{Be in writing.}~~

15 ~~—2.}~~ Have set forth in its terms a definite, specified and complete
16 termination.

17 ~~{3.}~~ 2. Contain no provision which requires the client who
18 signs the brokerage agreement to notify the real estate broker of the
19 client's intention to cancel the exclusive features of the brokerage
20 agreement after the termination of the brokerage agreement.

21 ~~{4.}~~ 3. Be signed by both the client or his or her authorized
22 representative and the broker or his or her authorized representative
23 in order to be enforceable.

24 **Sec. 5.** NRS 645.633 is hereby amended to read as follows:

25 645.633 1. The Commission may take action pursuant to
26 NRS 645.630 against any person subject to that section who is
27 guilty of any of the following acts:

28 (a) Willfully using any trade name, service mark or insigne of
29 membership in any real estate organization of which the licensee is
30 not a member, without the legal right to do so.

31 (b) Violating any order of the Commission, any agreement with
32 the Division, any of the provisions of this chapter, chapter 116, 119,
33 119A, 119B, 645A or 645C of NRS or any regulation adopted
34 pursuant thereto.

35 (c) Paying a commission, compensation or a finder's fee to any
36 person for performing the services of a broker, broker-salesperson
37 or salesperson who has not secured a license pursuant to this
38 chapter. This subsection does not apply to payments to a broker who
39 is licensed in his or her state of residence.

40 (d) A conviction of, or the entry of a plea of guilty, guilty but
41 mentally ill or nolo contendere to:

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

44 (2) Any crime involving fraud, deceit, misrepresentation or
45 moral turpitude.



1 (e) Guaranteeing, or having authorized or permitted any person
2 to guarantee, future profits which may result from the resale of real
3 property.

4 (f) Failure to include a fixed date of expiration in any ~~written~~
5 brokerage agreement or failure to leave a copy of such a brokerage
6 agreement or any property management agreement with the client.

7 (g) Accepting, giving or charging any undisclosed commission,
8 rebate or direct profit on expenditures made for a client.

9 (h) Gross negligence or incompetence in performing any act for
10 which the person is required to hold a license pursuant to this
11 chapter, chapter 119, 119A or 119B of NRS.

12 (i) Any other conduct which constitutes deceitful, fraudulent or
13 dishonest dealing.

14 (j) Any conduct which took place before the person became
15 licensed which was in fact unknown to the Division and which
16 would have been grounds for denial of a license had the Division
17 been aware of the conduct.

18 (k) Knowingly permitting any person whose license has been
19 revoked or suspended to act as a real estate broker, broker-
20 salesperson or salesperson, with or on behalf of the licensee.

21 (l) Recording or causing to be recorded a claim pursuant to the
22 provisions of NRS 645.8701 to 645.8811, inclusive, that is
23 determined by a district court to be frivolous and made without
24 reasonable cause pursuant to NRS 645.8791.

25 2. The Commission may take action pursuant to NRS 645.630
26 against a person who is subject to that section for the suspension or
27 revocation of a real estate broker's, broker-salesperson's or
28 salesperson's license issued by any other jurisdiction.

29 3. The Commission may take action pursuant to NRS 645.630
30 against any person who:

31 (a) Holds a permit to engage in property management issued
32 pursuant to NRS 645.6052; and

33 (b) In connection with any property for which the person has
34 obtained a property management agreement pursuant to
35 NRS 645.6056:

36 (1) Is convicted of violating any of the provisions of
37 NRS 202.470;

38 (2) Has been notified in writing by the appropriate
39 governmental agency of a potential violation of NRS 244.360,
40 244.3603 or 268.4124, and has failed to inform the owner of the
41 property of such notification; or

42 (3) Has been directed in writing by the owner of the property
43 to correct a potential violation of NRS 244.360, 244.3603 or
44 268.4124, and has failed to correct the potential violation, if such



1 corrective action is within the scope of the person's duties pursuant
2 to the property management agreement.

3 4. The Division shall maintain a log of any complaints that it
4 receives relating to activities for which the Commission may take
5 action against a person holding a permit to engage in property
6 management pursuant to subsection 3.

7 **Sec. 6.** The amendatory provisions of this act apply to any
8 brokerage agreement, as defined in NRS 645.005, as amended by
9 section 2 of this act, entered into on or after October 1, 2025.



