

**LEGISLATIVE REVIEW OF ADOPTED
PERMANENT REGULATIONS AS REQUIRED BY
NRS 233B.066**

LCB FILE R039-19

The following statement is submitted for adopted amendments to Nevada Administrative code (NAC) Chapter 612.

1. A clear and concise explanation of the need for the adopted regulation.

The proposed amendment to the regulation pertaining to NAC 612 will increase the percentage or administrative cost to entities administering the Veterans & Senior Citizens Small Business Loan program from 10% to 20%. This is intended to increase the number of entities interested in participating in the program.

2. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of the summary.

In compliance with NRS 233B.0603, a Small Business Workshop was held on Friday, July 19, 2019 at 10:00 a.m., the live meeting was held at the Legislative Building, 401 S. Carson Street, Room 3137, Carson City, Nevada 89701 and Video conferenced to the Grant Sawyer Building, 555 E. Washington Ave, Room 4412E, Las Vegas, Nevada 89101. The purpose of the Small Business Workshop was to review and solicit comment on a proposed amendment to the regulation pertaining to NAC 612 to increase the reimbursement rate for administrative cost incurred by private entities administering the Veterans and Senior Citizens Small Business Loan program from 10% to 20%.

Notice of the Small Business Workshop was sent on July 1, 2019, requesting comments by July 16, 2019, to all individuals and employers on the Employment Security Division mailing list. Notices were posted at the principal office of the Employment Security Division in Carson City, as well as numerous offices of the Employment Security Division throughout the state. In addition, the notices were submitted to the Legislative Counsel Bureau, the Nevada State Library, and all main county libraries in the state. These documents were also made available at the website of the Department of Employment, Training and Rehabilitation (DETR):

https://detr.nv.gov/page/public_meetings (DETR Public Meetings page),
https://detr.nv.gov/Page/PUBLIC_NOTICES (DETR Public Notices page),
<https://notice.nv.gov/> and at the Nevada Legislature website at
<http://www.leg.state.nv.us/App/Notice/A/>.

Posting locations:

Nevada State Library & Archives, 100 North Stewart Street, Carson City, NV 89701
Legislative Building, 401 South Carson Street, Carson City, NV 89701
Grant Sawyer State Building, 555 E. Washington Ave., Las Vegas, NV 89101
Legislative Counsel Bureau Web Site
Department of Employment, Training and Rehabilitation Web Site
All County Libraries in Nevada
Employment Security Division, State Administrative Office, 500 East Third Street, Carson City, NV 89713
Employment Security Division Southern Administrative Office, 2800 E. St. Louis Ave., Las Vegas, NV 89104
Unemployment Insurance Contributions, 1320 South Curry Street, Carson City, NV 89703
Las Vegas Field Audit Office, 2800 E. St. Louis Ave., Las Vegas, NV 89104
Appeals Office, 2800 E. St. Louis Ave., Las Vegas, NV 89104
Reno Casual Labor Office, 420 Galletti Way, Sparks, NV 89431
Las Vegas Casual Labor Office, 1001 North A Street, Las Vegas, NV 89106
Nevada JobConnect-Carson City, 1929 North Carson Street, Carson City, NV 89701
Nevada JobConnect-Elko, 172 Sixth Street, Elko, NV 89801
Nevada JobConnect-Ely, 1500 Avenue F, Suite 1, Ely, NV 89301
Nevada JobConnect-Fallon, 121 Industrial Way, Fallon, NV 89406
Nevada JobConnect-Henderson, 4500 E. Sunset Road, Suite 40, Henderson, NV 89014
Nevada JobConnect-Las Vegas, 3405 South Maryland Parkway, Las Vegas, NV 89169
Nevada JobConnect-North Las Vegas, 2827 Las Vegas Boulevard North, Las Vegas, NV 89030
American Job Center of Nevada-Reno Town Mall, 4001 South Virginia Street, Reno, NV 89502
Nevada JobConnect-Sparks, 2281 Pyramid Way, Sparks, NV 89431
Nevada JobConnect-Winnemucca, 475 Haskell St., Suite 1, Winnemucca, NV 89445

During the Small Business Workshop, the Administrator of ESD reviewed the language and purpose of the proposed regulation for the public. The final draft of the regulation was drafted by LCB on August 8, 2019. The determination of impact to small businesses was determined to be no-impact, and was reviewed during the Small Business Workshop. No written comments were received.

On February 11, 2020, the Division issued a Hearing Agenda and a Notice of Intent to Act upon the proposed regulation. The Notice and Agenda was sent by mail or email, to all individuals and employers on the Employment Security Division mailing list. The Notice and Agenda was posted at the principal office of the Employment Security Division in Carson City, as well as numerous offices of the Employment Security Division throughout the state. In addition, the notice was submitted to the Legislative Counsel Bureau, the Nevada State Library, and all main county libraries in the state, including all locations in the workshop notification list above. These documents were also made available at the website of the Department of Employment,

Training and Rehabilitation (DETR):

https://detr.nv.gov/page/public_meetings (DETR Public Meetings page),
https://detr.nv.gov/Page/PUBLIC_NOTICES (DETR Public Notices page),
<https://notice.nv.gov/> and at the Nevada Legislature website at
<http://www.leg.state.nv.us/App/Notice/A/>.

The division posted the regulation drafted by LCB to the DETR website and posted the revised language to the Nevada Legislature website. A copy of the regulation was also made available to the public at the Hearing and the ESD Administrator reviewed the Amended Regulation, providing an explanation of the Regulation.

In compliance with NRS 233B, a Hearing for the adoption of the regulation was held on March 13, 2020 at 10:00 a.m., the live meeting was held at the DETR – SAO Auditorium, 500 E 3rd St, Carson City, Nevada 89713 and Video conferenced to DETR – St. Louis Conference Room C, 2800 E. St. Louis Ave, Las Vegas, Nevada 89104. The purpose of the hearing was to receive comments from all interested persons regarding the adoption of the regulation pertaining to Chapter 612, of the Nevada Administrative Code.

The transcript of the Hearing is not yet available, but will be posted to DETR’s Public Meeting Minutes page within 30 days of the Hearing at the following link;

https://detr.nv.gov/Page/Minutes_of_Employment_Security_Division_Employment_Security_Council

3. The number of persons who:

a. Attended at each meeting:

Small Business Workshop:

July 19, 2019: Carson City: 9; Las Vegas: 1

Hearing:

March 13, 2020: Carson City: 8; Las Vegas: 1

b. Testified at each meeting:

Small Business Workshop:

July 19, 2019

- No Public Testimony

Hearing:

March 13, 2020

- No Public Testimony

c. Submitted to the agency written comments:

Small Business Workshop: No written comments were submitted

Hearing: No written comments were submitted

4. A description of how comments were solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses in the same manner as they were solicited from the public.

5. If, after consideration of public comment, the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

No recommended changes submitted in written or public comment.

6. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:

a. Both adverse and beneficial effects; and

b. Both immediate and long-term effects.

This regulation change will expand the number of non-profit lenders interested in applying to run loan programs pursuant to subsection 2 of NAC 612.683.

Beneficial Impacts

The increase in the amount of administrative costs incurred by private entities administering this program from 10% to 20% will increase the number of entities interested in participating in the program.

Adverse Impacts

There is estimated to be no adverse impact from this regulation change.

Direct Impacts

The direct impact of this regulation will be an increase in private entities interested in administering the program.

Indirect Impacts

There is estimated to be no additional indirect impact.

Immediate Effect:

The immediate impact of this regulation will be the increase in the reimbursable rate of administrative costs for non-profit lenders running loan programs pursuant to subsection 2 of NAC 612.683 from 10% to 20%.

Long-Term Effect:

By increasing the rate of reimbursement for administrative costs incurred by lenders administering loans pursuant to subsection 2 of NAC 612.683, more non-profit lenders will be attracted to applying to run loans pursuant to subsection 2 of NAC 612.683.

7. The estimated cost to the agency for enforcement of the adopted regulation.

This regulation will not require enforcement and therefore there is estimated to be no cost related to enforcement.

Anticipated Revenue Increase and Use

There is no anticipated change in revenue increase or use.

8. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the

duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

This regulation is only a modification to the reimbursement rate for administrative cost incurred related to loans administered under the Veterans & Senior Citizens Small Business Loan program.

9. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

The proposed regulation is not required pursuant to federal law, nor is there a federal regulation that regulates the same activity.

10. If the regulation establishes a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

This Regulation does not impose any new or increased fees on employers.