

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY NRS 233B.066
LCB FILE R046-23
INFORMATIONAL STATEMENT**

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 355.

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

This proposed regulation, LCB File No. R046-23, makes various changes to Chapter 355 of the Nevada Administrative Code, in an effort to modernize the investments and administration of the Nevada Capital Investment Corporation.

The regulations governing the investments and administration of the Nevada Capital Investment Corporation were first promulgated on December 1, 2011. As such, the State Treasurer's Office is seeking to revise this regulation to allow for Nevada Capital Investment Corporation to diversify its oversight of funds rather than contract with a single Fund of Funds Manager. This change will ensure that monies from the State Permanent School Fund that are utilized by the Nevada Capital Investment Corporation, can be better aligned with the State's overall economic development strategy, and can be best utilized to support local Nevada businesses while also encouraging businesses to relocate to Nevada.

Additionally, this proposed regulation seeks to modernize and strengthen the Business Leadership Council under the Nevada Capital Investment Corporation's Board of Directors to allow the Council to assist the Legislature and the Executive Branch in identifying ways to assist small businesses within the State.

Furthermore, the changes in this proposed regulation will reduce the amount of investment and management fees that the Nevada Capital Investment Corporation is required to pay through its investment portfolio.

Finally, LCB File No. R046-23 makes several conforming changes necessary due to the passage of Assembly Bill 33 from the 82nd Session of the Nevada Legislature.

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.

Copies of the proposed regulation, notices of workshop and notices of intent to act upon the regulation were sent by email to persons who were known to have an interest in the administration of the Nevada Capital Investment Corporation as well as any persons who had specifically requested such notice. These documents were also made available at the website of the State Treasurer's Office, mailed to all county libraries in Nevada,

posted on the Nevada Legislature’s Administrative Regulations Notice page, deposited with the Nevada State Library and Archives, and posted at the following locations:

- The State of Nevada Public Notice website: (<https://notice.nv.gov/>)
- State Capitol Building, 1st & 2nd Floors, 101 North Carson Street
- Nevada Legislative Building, 401 South Carson Street
- Nevada State Library, 100 Stewart Street
- Blasdel Building, 209 East Musser Street
- Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada

The State Treasurer’s Office prepared an initial draft of the proposed regulation and subsequently presented the recommended regulation changes during a workshop that was held on September 15, 2023. During this public workshop, the agency solicited comments from interested parties and the general public about various provisions of the regulation. Once the State Treasurer’s Office received the formal draft of LCB File R046-23 from the Legislative Counsel Bureau, the agency issued a Notice of Intent to Act Upon a Regulation for a hearing that took place on December 11, 2023.

During this hearing, the agency did not receive any written or in-person comments on the proposed LCB File R046-23.

A copy of this summary of the public response to the proposed regulation may be obtained by contacting Erik Jimenez, Chief Policy Deputy for the Nevada State Treasurer’s Office at: Nevada State Treasurer’s Office, 101 N. Carson Street, Suite 4, Carson City, NV 89701, 775-684-5613, or by emailing: ejimenez@nevadatreasurer.gov.

3. The number persons who:

(a) Attended the September 15, 2023, workshop: 1

(b) Testified at the September 15, 2023, workshop: 0

(c) Submitted to the agency written comments for the September 15, 2023 workshop:
No written comments were submitted.

(d) Attended the December 11, 2023, hearing: 2

(e) Testified at the December 11, 2023, hearing: 0

(f) Submitted to the agency written comments: No written comments were submitted.

A list of names and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified is included below:

(a) Individuals who attended the September 15, 2023, workshop:

1. Erik Jimenez, Chief Policy Deputy, Nevada State Treasurer’s Office

(775) 684-5613
ejimenez@nevadatreasurer.gov

(b) Individuals who testified at the September 15, 2023, workshop:

None.

(c) Individuals who submitted to the agency written comments for the September 15, 2023, workshop:

No written comments were submitted.

(d) Individuals who attended the December 11, 2023, hearing:

1. Erik Jimenez, Chief Policy Deputy, Nevada State Treasurer's Office
(775) 684-5613
ejimenez@nevadatreasurer.gov

2. Kirsten Van Ry, Chief of Staff, Nevada State Treasurer's Office
KLVanRy@nevadatreasurer.gov

3. Individuals who testified at the December 11, 2023, hearing:

None.

(e) Individuals who submitted to the agency written comments for the December 11, 2023, hearing:

No written comments were submitted.

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

Prior to drafting this proposed regulation, the State Treasurer's Office solicited feedback from numerous stakeholders including the members of the Board of Directors for the Nevada Capital Investment Corporation as well as members of the business community on the content of these proposed regulatory changes.

Comments were solicited from potentially affected businesses in the same manner as they were solicited from the public. The summary may be obtained as instructed in the response to question #2. Through this process, the agency concluded that this proposed regulation would not negatively impact businesses in the State of Nevada.

A copy of this summary of the public response to the proposed regulation may be obtained by contacting Erik Jimenez, Chief Policy Deputy for the Nevada State Treasurer's Office at: Nevada State Treasurer's Office, 101 N. Carson Street, Suite 4, Carson City, NV 89701, 775-684-5613, or by emailing: ejimenez@nevadatreasurer.gov.

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

The State Treasurer's Office presented an initial draft of the regulation that was prepared by the agency for the workshop, since the formal regulation text was still being formally drafted by the Legislative Counsel Bureau.

Since the agency received no written or in-person comments during the public workshop, the agency proceeded to schedule the hearing once the Legislative Counsel Bureau had finalized the formal draft of R046-23. During the hearing, the agency did not receive any written or in person testimony on the proposed changes in the regulation. Therefore, the agency adopted the regulation without changes.

6. The estimated economic effect of the adopted regulation on the businesses 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.

Adverse effects:

The State Treasurer's Office does not anticipate any adverse economic impact from this regulation on businesses or the public.

Beneficial effects:

The State Treasurer's Office anticipates the beneficial effects of this regulation would be that more funding may be available to Nevada-based businesses through funds from the Nevada Capital Investment Corporation as well as outside financial partners.

Immediate effects:

The State Treasurer's Office anticipates that the only immediate effects of this regulation would relate to the administration of the Nevada Capital Investment Corporation.

Long-term effects:

The State Treasurer's Office anticipates that this regulation may have long-term beneficial effects for businesses within the State of Nevada who may have the opportunity to receive additional capital to expand their businesses.

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

There is no additional cost to the agency for enforcement of this regulation.

- 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.**

There are no other state or government agency regulations that the proposed regulation duplicates.

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

There are no federal regulations that apply.

- 10. If the regulation provides 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 provide a new fee or increase an existing fee.