
ASSEMBLY BILL NO. 436—ASSEMBLYMEN MONROE-MORENO,
NEAL, SPIEGEL, BUSTAMANTE ADAMS, CARRILLO; AND FRIERSON

MARCH 27, 2017

Referred to Committee on Taxation

SUMMARY—Revises provisions governing small business loans.
(BDR 18-1079)

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 economic development; requiring the Office of Economic Development to provide businesses certified as a local emerging small business with information concerning public and private programs to obtain financing for small businesses; revising provisions governing an application for the issuance or renewal of a state business registration; requiring the Secretary of State to provide to certain businesses information concerning public and private programs to obtain financing for small businesses and the process for obtaining certification as a disadvantaged business enterprise; requiring the Regional Business Development Advisory Council for Clark County to provide to certain businesses information concerning public and private programs to obtain financing for small businesses; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

1 Existing law: (1) provides for the certification of eligible local emerging small
2 businesses by the Office; and (2) requires the Office to establish an outreach
3 program for local emerging small businesses to connect those businesses with state
4 agencies seeking state purchasing contracts and contracts for public works of this
5 State and goals concerning the participation of local emerging small businesses in
6 those contracts. (NRS 231.1405, 231.14065, 231.1407) **Section 1** of this bill
7 requires the Office to provide a business certified as an eligible local emerging
8 small business with certain information concerning public and private programs to



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9 provide financing to small businesses and the criteria for obtaining financing
10 through such programs.

11 Existing law requires a person to obtain a state business registration and pay an
12 annual fee before conducting business within this State, unless exempted from the
13 business registration requirement. (NRS 76.100, 76.130) **Sections 2 and 4** of this
14 bill require the Secretary of State, upon the issuance or renewal of a state business
15 registration, to provide to the business certain information concerning public and
16 private programs to provide financing to small businesses and the criteria for
17 obtaining financing through such programs. **Sections 2 and 4** also require the
18 Secretary of State to include on the form for an application for the issuance or
19 renewal of a state business registration an opportunity for the applicant to indicate
20 whether the applicant's business is a minority-owned business or a woman-owned
21 business. If the applicant indicates that the business is a minority-owned business or
22 a woman-owned business, **sections 2 and 4** require the Secretary of State to
23 provide information concerning how the person may become certified as a
24 disadvantaged business enterprise for certain purposes related to contracting for
25 transportation projects and qualifying for loans to disadvantaged business
26 enterprises.

27 Existing law creates the Regional Business Development Advisory Council for
28 Clark County and prescribes its duties. (Sections 15 and 20 of chapter 7, Statutes of
29 Nevada 2003, 20th Special Session, at pp. 268-69) **Section 5** of this bill requires the
30 Council to provide to local businesses owned and operated by disadvantaged
31 persons certain information concerning public and private programs to provide
32 financing to small businesses and the criteria for obtaining financing through such
33 programs.

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

1 **Section 1.** NRS 231.14055 is hereby amended to read as
2 follows:

3 231.14055 1. A business may apply, on a form prescribed by
4 regulation of the Office, to the Office for certification as a local
5 emerging small business. The application must be accompanied by
6 such proof as the Office requires to demonstrate that the applicant is
7 in compliance with the criteria set forth in NRS 231.1405 and any
8 regulations adopted pursuant to NRS 231.1408.

9 2. Upon receipt of the application and when satisfied that the
10 applicant meets the requirements set forth in this section, NRS
11 231.1405 and any regulations adopted pursuant to NRS 231.1408,
12 the Office shall ~~certify~~ :

13 (a) *Certify* the business as a local emerging small business ~~H~~ ;
14 *and*

15 (b) *Provide to the business, in writing, information concerning*
16 *public and private programs to provide financing for small*
17 *businesses and the criteria for obtaining financing through such*
18 *programs. The information must include, without limitation,*
19 *information concerning:*



1 (1) *Grants or loans of money from the Catalyst Account*
2 *created by NRS 231.1573;*

3 (2) *The issuance of revenue bonds for industrial*
4 *development pursuant to NRS 349.400 to 349.670, inclusive;*

5 (3) *The Nevada Collateral Support Program pursuant to 12*
6 *U.S.C. §§ 5701 et seq.;*

7 (4) *The Nevada Microenterprise Initiative Program*
8 *pursuant to 12 U.S.C. §§ 5701 et seq.;*

9 (5) *The Nevada New Markets Jobs Act pursuant to chapter*
10 *231A of NRS;*

11 (6) *The Nevada Silver State Opportunities Fund pursuant*
12 *to NRS 355.275;*

13 (7) *Loans from the Small Business Administration*
14 *pursuant to 15 U.S.C. §§ 631 et seq.; and*

15 (8) *Any other public or private program to provide*
16 *financing for small businesses designated by the Office.*

17 3. The Office shall compile a list of the local emerging small
18 businesses certified pursuant to this section and post the list on its
19 Internet website.


20 **Sec. 2.** NRS 76.100 is hereby amended to read as follows:

21 76.100 1. A person shall not conduct a business in this State
22 unless and until the person obtains a state business registration
23 issued by the Secretary of State. If the person is:

24 (a) An entity required to file an initial or annual list with the
25 Secretary of State pursuant to this title, the person must obtain the
26 state business registration at the time of filing the initial or annual
27 list.

28 (b) Not an entity required to file an initial or annual list with the
29 Secretary of State pursuant to this title, the person must obtain the
30 state business registration before conducting a business in this State.

31 2. An application for a state business registration must:

32 (a) Be made upon a form prescribed by the Secretary of State 
33 *, which must enable the applicant to declare whether the applicant*
34 *is a minority-owned business or a woman-owned business;*

35 (b) Set forth the name under which the applicant transacts or
36 intends to transact business, or if the applicant is an entity organized
37 pursuant to this title and on file with the Secretary of State, the exact
38 name on file with the Secretary of State, the business identification
39 number as assigned by the Secretary of State pursuant to NRS
40 225.082, and the location in this State of the place or places of
41 business;

42 (c) Be accompanied by a fee in the amount of \$200, except that
43 if the applicant is a corporation organized pursuant to chapter 78,
44 78A or 78B of NRS, or a foreign corporation required to file
45 an initial or annual list with the Secretary of State pursuant to



1 chapter 80 of NRS, the application must be accompanied by a fee of
2 \$500; and

3 (d) Include any other information that the Secretary of State
4 deems necessary.

5 ➤ If the applicant is an entity organized pursuant to this title and on
6 file with the Secretary of State and the applicant has no location in
7 this State of its place of business, the address of its registered agent
8 shall be deemed to be the location in this State of its place of
9 business.

10 3. The application must be signed pursuant to NRS 239.330 by:

11 (a) The owner of a business that is owned by a natural person.

12 (b) A member or partner of an association or partnership.

13 (c) A general partner of a limited partnership.

14 (d) A managing partner of a limited-liability partnership.

15 (e) A manager or managing member of a limited-liability
16 company.

17 (f) An officer of a corporation or some other person specifically
18 authorized by the corporation to sign the application.

19 4. If the application for a state business registration is defective
20 in any respect or the fee required by this section is not paid, the
21 Secretary of State may return the application for correction or
22 payment.

23 5. *Upon issuance of a state business registration, the*
24 *Secretary of State shall provide to the business, in writing:*

25 (a) *Information concerning public and private programs to*
26 *provide financing for small businesses and the criteria for*
27 *obtaining financing through such programs. The information*
28 *must include, without limitation:*

29 (1) *Grants or loans of money from the Catalyst Account*
30 *created by NRS 231.1573;*

31 (2) *The issuance of revenue bonds for industrial*
32 *development issued pursuant to NRS 349.400 to 349.670,*
33 *inclusive;*

34 (3) *The Nevada Collateral Support Program pursuant to 12*
35 *U.S.C. §§ 5701 et seq.;*

36 (4) *The Nevada Microenterprise Initiative Program*
37 *pursuant to 12 U.S.C. §§ 5701 et seq.;*

38 (5) *The Nevada New Markets Jobs Act pursuant to chapter*
39 *231A of NRS;*

40 (6) *The Nevada Silver State Opportunities Fund pursuant*
41 *to NRS 355.275;*

42 (7) *Loans from the Small Business Administration loans*
43 *pursuant to 15 U.S.C. § 631 et seq.; and*

44 (8) *Any other program to provide financing for small*
45 *businesses designated by the Secretary of State; and*



1 *(b) If the business indicated on its application for a state*
2 *business registration that the business is a minority-owned*
3 *business or a woman-owned business, information, in writing,*
4 *concerning the process by which the business may become*
5 *certified as a disadvantaged business enterprise for the purposes*
6 *of 49 C.F.R. § 26.5 or a program to provide financing for*
7 *disadvantaged business enterprises.*

8 6. A state business registration issued pursuant to this section
9 must contain the business identification number assigned by the
10 Secretary of State pursuant to NRS 225.082.

11 ~~6.7~~ 7. The state business registration required to be obtained
12 pursuant to this section is in addition to any license to conduct
13 business that must be obtained from the local jurisdiction in which
14 the business is being conducted.

15 ~~7.8~~ 8. For the purposes of this chapter, a person:

16 (a) Shall be deemed to conduct a business in this State if a
17 business for which the person is responsible:

18 (1) Is organized pursuant to this title, other than a business
19 organized pursuant to:

20 (I) Chapter 82 or 84 of NRS; or

21 (II) Chapter 81 of NRS if the business is a nonprofit unit-
22 owners' association or a nonprofit religious, charitable, fraternal or
23 other organization that qualifies as a tax-exempt organization
24 pursuant to 26 U.S.C. § 501(c);

25 (2) Has an office or other base of operations in this State;

26 (3) Except as otherwise provided in NRS 76.103, has a
27 registered agent in this State; or

28 (4) Pays wages or other remuneration to a natural person
29 who performs in this State any of the duties for which he or she is
30 paid.

31 (b) Shall be deemed not to conduct a business in this State if the
32 business for which the person is responsible:

33 (1) Is not organized pursuant to this title;

34 (2) Does not have an office or base of operations in this
35 State;

36 (3) Does not have a registered agent in this State;

37 (4) Does not pay wages or other remuneration to a natural
38 person who performs in this State any of the duties for which he or
39 she is paid, other than wages or other remuneration paid to a natural
40 person for performing duties in connection with an activity
41 described in subparagraph (5); and

42 (5) Is conducting activity in this State solely to provide
43 vehicles or equipment on a short-term basis in response to a
44 wildland fire, a flood, an earthquake or another emergency.



1 ~~18.1~~ 9. As used in this section, “registered agent” has the
2 meaning ascribed to it in NRS 77.230.

3 **Sec. 3.** NRS 76.103 is hereby amended to read as follows:

4 76.103 1. A manufacturer who maintains a registered agent
5 in this State solely because of the requirements set forth in NRS
6 370.680 and who is not otherwise required to obtain a state business
7 registration pursuant to NRS 76.100 is not deemed, pursuant to
8 subparagraph (3) of paragraph (a) of subsection ~~7.1~~ 8 of NRS
9 76.100, to conduct a business in this State.

10 2. As used in this section, “manufacturer” has the meaning
11 ascribed to it in NRS 370.0315.

12 **Sec. 4.** NRS 76.130 is hereby amended to read as follows:

13 76.130 1. Except as otherwise provided in subsection 2, a
14 person who applies for renewal of a state business registration shall
15 submit *an application on a form prescribed by the Secretary of*
16 *State, which must enable the applicant to declare whether the*
17 *applicant is a minority-owned business or a woman-owned*
18 *business, and* a fee in the amount of \$200 to the Secretary of State:

19 (a) If the person is an entity required to file an annual list with
20 the Secretary of State pursuant to this title, at the time the person
21 submits the annual list to the Secretary of State, unless the person
22 submits a certificate or other form evidencing the dissolution of the
23 entity; or

24 (b) If the person is not an entity required to file an annual list
25 with the Secretary of State pursuant to this title, on the last day of
26 the month in which the anniversary date of issuance of the state
27 business registration occurs in each year, unless the person submits
28 a written statement to the Secretary of State, at least 10 days before
29 that date, indicating that the person will not be conducting a
30 business in this State after that date.

31 2. If the person applying for the renewal of a state business
32 registration pursuant to subsection 1 is a corporation organized
33 pursuant to chapter 78, 78A or 78B of NRS, or a foreign corporation
34 required to file an initial or annual list with the Secretary of State
35 pursuant to chapter 80 of NRS, the fee for the renewal of a state
36 business registration is \$500.

37 3. The Secretary of State shall, 90 days before the last day for
38 filing an application for renewal of the state business registration of
39 a person who holds a state business registration, provide to the
40 person a notice of the state business registration fee due pursuant to
41 this section and a reminder to file the application for renewal
42 required pursuant to this section. Failure of any person to receive a
43 notice does not excuse the person from the penalty imposed by law.

44 4. *Upon renewal of a state business registration, the*
45 *Secretary of State shall provide to the business, in writing:*



1 (a) *Information concerning public and private programs to*
2 *provide financing for small businesses and the criteria for*
3 *obtaining financing through such programs. The information*
4 *must include, without limitation:*

5 (1) *Grants or loans of money from the Catalyst Account*
6 *created by NRS 231.1573;*

7 (2) *The issuance of revenue bonds for industrial*
8 *development revenue bonds issued pursuant to NRS 349.400 to*
9 *349.670, inclusive;*

10 (3) *The Nevada Collateral Support Program pursuant to 12*
11 *U.S.C. §§ 5701 et seq.;*

12 (4) *The Nevada Microenterprise Initiative Program*
13 *pursuant to 12 U.S.C. §§ 5701 et seq.;*

14 (5) *The Nevada New Markets Jobs Act pursuant to chapter*
15 *231A of NRS;*

16 (6) *The Nevada Silver State Opportunities Fund pursuant*
17 *to NRS 355.275;*

18 (7) *Loans from the Small Business Administration loans*
19 *pursuant to 15 U.S.C. § 631 et seq.; and*

20 (8) *Any other program to provide financing for small*
21 *businesses designated by the Secretary of State; and*

22 (b) *If the business indicated on its application for a state*
23 *business registration that the business is a minority-owned*
24 *business or a woman-owned business, information, in writing,*
25 *concerning the process by which the business may become*
26 *certified as a disadvantaged business enterprise for the purposes*
27 *of 49 C.F.R. § 26.5 or a program to provide financing for*
28 *disadvantaged business enterprises.*

29 5. If a person fails to submit the annual state business
30 registration fee required pursuant to this section in a timely manner
31 and the person is:

32 (a) An entity required to file an annual list with the Secretary of
33 State pursuant to this title, the person:

34 (1) Shall pay a penalty of \$100 in addition to the annual state
35 business registration fee;

36 (2) Shall be deemed to have not complied with the
37 requirement to file an annual list with the Secretary of State; and

38 (3) Is subject to all applicable provisions relating to the
39 failure to file an annual list, including, without limitation, the
40 provisions governing default and revocation of its charter or right to
41 transact business in this State, except that the person is required to
42 pay the penalty set forth in subparagraph (1).

43 (b) Not an entity required to file an annual list with the Secretary
44 of State, the person shall pay a penalty in the amount of \$100 in



1 addition to the annual state business registration fee. The Secretary
2 of State shall provide to the person a written notice that:

3 (1) Must include a statement indicating the amount of the
4 fees and penalties required pursuant to this section and the costs
5 remaining unpaid.

6 (2) May be provided electronically, if the person has
7 requested to receive communications by electronic transmission, by
8 electronic mail or other electronic communication.

9 ~~15.1~~ 6. A person who continues to do business in this State
10 without renewing the person's state business registration before its
11 renewal date is subject to the fees and penalties provided for in this
12 section unless the person files a certificate of cancellation of the
13 person's state business registration with the Secretary of State.

14 ~~16.1~~ 7. The Secretary of State shall waive the annual state
15 business registration fee and any related penalty imposed on a
16 natural person or partnership if the natural person or partnership
17 provides evidence satisfactory to the Secretary of State that the
18 natural person or partnership conducted no business in this State
19 during the period for which the fees and penalties would be waived.

20 **Sec. 5.** Section 20 of the Regional Business Development
21 Advisory Council for Clark County Act, being chapter 7, Statutes of
22 Nevada 2003, 20th Special Session, as amended by chapter 142,
23 Statutes of Nevada 2015, at page 550, is hereby amended to read as
24 follows:

25 Sec. 20. 1. The Council shall propose and implement
26 policies, programs and procedures to encourage and promote
27 the use of local businesses owned and operated by
28 disadvantaged persons, particularly in the area of contracting
29 and procurement by public agencies in Clark County.

30 2. On or before November 1 of each year, each public
31 entity which has a representative on the Council pursuant to
32 subsection 1 of section 15 of this act shall prepare and deliver
33 a written report to the Council for the immediately preceding
34 fiscal year which contains:

35 (a) The number of persons employed by the public entity,
36 disaggregated by major ethnic and racial categories,
37 including, without limitation, African-American, Asian,
38 Caucasian, Hispanic and Native American.

39 (b) Expenditures made by the public entity during the
40 immediately preceding fiscal year, disaggregated by
41 discretionary and nondiscretionary expenditures.

42 (c) The percentage of expenditures paid by the public
43 entity to local businesses owned and operated by
44 disadvantaged persons, disaggregated by ethnic and racial
45 categories and by gender.



1 (d) A summary of the efforts and programs used by the
2 public entity to encourage and increase the involvement in
3 contracting local businesses owned and operated by
4 disadvantaged persons and any efforts or programs used by
5 the public entity to encourage the economic development of
6 local businesses owned and operated by disadvantaged
7 persons.

8 (e) Such other information as the Council determines is
9 necessary to achieve its goals.

10 3. The Council shall encourage each public and private
11 entity which has a representative on the Council pursuant to
12 subsection 2 of section 15 of this act to prepare and deliver to
13 the Council an annual report similar to the report required
14 pursuant to subsection 2.

15 4. *The Council shall provide to local businesses owned
16 and operated by disadvantaged persons information in
17 writing concerning public and private programs to provide
18 financing for small businesses and the criteria for obtaining
19 financing through such programs. The information must
20 include, without limitation:*

21 (a) *Grants or loans of money from the Catalyst Account
22 created by NRS 231.1573;*

23 (b) *The issuance of revenue bonds for industrial
24 development pursuant to NRS 349.400 to 349.670, inclusive;*

25 (c) *The Nevada Collateral Support Program pursuant to
26 12 U.S.C. §§ 5701 et seq.;*

27 (d) *The Nevada Microenterprise Initiative Program
28 pursuant to 12 U.S.C. §§ 5701 et seq.;*

29 (e) *The Nevada New Markets Jobs Act pursuant to
30 chapter 231A of NRS;*

31 (f) *The Nevada Silver State Opportunities Fund
32 pursuant to NRS 355.275;*

33 (g) *Loans from the Small Business Administration
34 pursuant to 15 U.S.C. § 631 et seq.; and*

35 (h) *Any other public or private lending opportunity for
36 small businesses designated by the Secretary of State.*

37 5. On or before January 15 of each odd-numbered year,
38 the Council shall prepare a report regarding the policies,
39 programs and procedures that the Council proposed and
40 implemented during the immediately preceding 2 years to
41 encourage and promote the use of local businesses owned and
42 operated by disadvantaged persons, using the reports received
43 pursuant to this section, and shall submit the report to the
44 Director of the Legislative Counsel Bureau for transmittal to
45 the next regular session of the Legislature.



1 **Sec. 6.** This act becomes effective on July 1, 2017.

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