

Amendment No. 491

Assembly Amendment to Assembly Bill No. 279 (BDR 52-1085)

Proposed by: Assembly Committee on Government Affairs

Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes

Adoption of this amendment will MAINTAIN the 2/3s majority vote requirement for final passage of A.B. 279 (§§ 1, 3-18).

ASSEMBLY ACTION		Initial and Date	SENATE ACTION		Initial and Date
Adopted	<input type="checkbox"/>	Lost <input type="checkbox"/>	Adopted	<input type="checkbox"/>	Lost <input type="checkbox"/>
Concurred In	<input type="checkbox"/>	Not <input type="checkbox"/>	Concurred In	<input type="checkbox"/>	Not <input type="checkbox"/>
Receded	<input type="checkbox"/>	Not <input type="checkbox"/>	Receded	<input type="checkbox"/>	Not <input type="checkbox"/>

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of *green bold underlining* is language proposed to be added in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) *orange double underlining* is deleted language in the original bill proposed to be retained in this amendment.

ALA/WLK



Date: 4/20/2017

A.B. No. 279—Revises provisions governing banks and other financial institutions regulated by the Commissioner of Financial Institutions.
(BDR 52-1085)



ASSEMBLY BILL NO. 279—COMMITTEE
ON COMMERCE AND LABOR

MARCH 13, 2017

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing banks and other financial institutions regulated by the Commissioner of Financial Institutions. (BDR 52-1085)

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 financial institutions; changing the method by which the Commissioner of Financial Institutions charges and collects fees for providing supervision, audits, examinations, investigations or hearings; requiring the Commissioner to adjust the rate at which such a fee is to be paid by banks and other financial institutions for supervision and examinations in certain circumstances; requiring the Commissioner to publish each year the amount of the fee that is to be paid by banks and other financial institutions for the following year; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Commissioner of Financial Institutions to establish by regulation rates to be paid by banks and other financial institutions for supervision and examinations by the Commissioner or the Division of Financial Institutions of the Department of Business and Industry. (NRS 658.101)

Section 7 of this bill requires the Commissioner to , at least once per year, review and analyze the proportional utilization of the resources of the Division of Financial Institutions by banks and other financial institutions as compared to the annual budget approved by the Legislature for the Division of Financial Institutions. Section 7 further requires the Commissioner to adjust ~~such~~ by regulation the rates ~~when deemed~~ to be paid by banks and other financial institutions if after such review and analysis the Commissioner deems such an adjustment necessary. ~~By a percentage not to exceed the percentage change in the most recent annual budget approved by the Legislature for the Division of Financial Institutions.~~ Section 7 further requires the Commissioner to publish on the Internet website of the Division of Financial Institutions by December 31 of each year the amount of the fee for the following year and defines the term “financial institution” to include a depository institution and any other institution or business regulated by the Division.

Existing law requires the Commissioner to charge and collect from a check-cashing service, or certain loan services, or an issuer of instruments for transmission or payment of money a fee for supervision and examinations of not more than \$80 or \$10 per hour, respectively. (NRS 604A.740, 671.170) Sections 1 and 12 of this bill remove the per hour cap on the fee and instead require the Commissioner to charge and collect the fee at the rate

established and, if applicable, adjusted pursuant to **section 7** for any supervision, audit, examination, investigation or hearing.

Existing law requires the costs for additional examinations and investigations of a foreign credit union to be paid by the credit union at an hourly rate that is deemed reasonable by the Commissioner. (NRS 678.3435) **Section 17** of this bill instead requires the credit union to pay the Commissioner for additional examinations and investigations at the rate established and, if applicable, adjusted pursuant to **section 7**.

Existing law authorizes the Commissioner to supervise, audit, examine, investigate or conduct a hearing regarding a bank or other financial institution in order to ensure compliance with the laws governing financial institutions. (NRS 657.210, 675.400, 676A.730) **Sections 5, 14 and 15** of this bill require the Commissioner to charge and collect a fee at the rate established and, if applicable, adjusted pursuant to **section 7** for any such supervision, audit, examination, investigation or hearing. **Section 14** further requires the Commissioner or his or her authorized representatives at least once each year to examine the accounts of the holder of a license to engage in the business of lending so far as they pertain to the business that is licensed.

~~Existing law exempts various entities from the requirements of the Nevada Administrative Procedure Act. (NRS 233B.039) Section 2 of this bill exempts the Commissioner from the Nevada Administrative Procedure Act when the Commissioner is adjusting the rates upon which the schedule of fees is based pursuant to section 7.~~

Sections 3, 4, 6, 8-11, 13, 16 and 18 of this bill make conforming changes based on the provisions of **section 7**.

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

Section 1. NRS 604A.740 is hereby amended to read as follows:

604A.740 1. The Commissioner shall charge and collect from each licensee a fee ~~of not more than \$80 per hour~~ *at the rate established and, if applicable, adjusted pursuant to NRS 658.101* for *the cost of* any supervision, audit, examination, investigation or hearing conducted pursuant to this chapter or any regulations adopted pursuant thereto.

2. The Commissioner shall bill each licensee upon the completion of the activity for the fee required pursuant to subsection 1. The licensee shall pay the fee within 30 days after the date the bill is received. Except as otherwise provided in this subsection, any payment received after the date due must include a penalty of 10 percent of the fee plus an additional 1 percent of the fee for each month, or portion of a month, that the fee is not paid. The Commissioner may waive the penalty for good cause.

3. The failure of a licensee to pay the fee required pursuant to subsection 1 as provided in this section constitutes grounds for revocation of the license of the licensee.

~~4. The Commissioner shall adopt regulations establishing the amount of the fee required pursuant to this section.~~

Sec. 2. ~~NRS 233B.039 is hereby amended to read as follows:~~

~~233B.039 1. The following agencies are entirely exempted from the requirements of this chapter:~~

- ~~(a) The Governor.~~
- ~~(b) Except as otherwise provided in NRS 209.221, the Department of Corrections.~~
- ~~(c) The Nevada System of Higher Education.~~
- ~~(d) The Office of the Military.~~
- ~~(e) The Nevada Gaming Control Board.~~

~~(f) Except as otherwise provided in NRS 368A.140 and 462.765, the Nevada Gaming Commission;~~

~~(g) The Division of Welfare and Supportive Services of the Department of Health and Human Services;~~

~~(h) Except as otherwise provided in NRS 422.300, the Division of Health Care Financing and Policy of the Department of Health and Human Services;~~

~~(i) The State Board of Examiners acting pursuant to chapter 217 of NRS;~~

~~(j) Except as otherwise provided in NRS 533.365, the Office of the State Engineer;~~

~~(k) The Division of Industrial Relations of the Department of Business and Industry acting to enforce the provisions of NRS 618.275;~~

~~(l) The Administrator of the Division of Industrial Relations of the Department of Business and Industry in establishing and adjusting the schedule of fees and charges for accident benefits pursuant to subsection 2 of NRS 616C.260;~~

~~(m) The Board to Review Claims in adopting resolutions to carry out its duties pursuant to NRS 445C.310;~~

~~(n) The Silver State Health Insurance Exchange;~~

~~(o) The Commissioner of Financial Institutions in adjusting the rates to be paid by banks and other financial institutions pursuant to subsection 3 of NRS 658.101;~~

~~2. Except as otherwise provided in subsection 5 and NRS 291.222, the Department of Education, the Board of the Public Employees' Benefits Program and the Commission on Professional Standards in Education are subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case;~~

~~3. The special provisions of:~~

~~(a) Chapter 612 of NRS for the distribution of regulations by and the judicial review of decisions of the Employment Security Division of the Department of Employment, Training and Rehabilitation;~~

~~(b) Chapters 616A to 617, inclusive, of NRS for the determination of contested claims;~~

~~(c) Chapter 91 of NRS for the judicial review of decisions of the Administrator of the Securities Division of the Office of the Secretary of State; and~~

~~(d) NRS 90.800 for the use of summary orders in contested cases, prevail over the general provisions of this chapter;~~

~~4. The provisions of NRS 233B.122, 233B.124, 233B.125 and 233B.126 do not apply to the Department of Health and Human Services in the adjudication of contested cases involving the issuance of letters of approval for health facilities and agencies;~~

~~5. The provisions of this chapter do not apply to:~~

~~(a) Any order for immediate action, including, but not limited to, quarantine and the treatment or cleansing of infected or infested animals, objects or premises, made under the authority of the State Board of Agriculture, the State Board of Health, or any other agency of this State in the discharge of a responsibility for the preservation of human or animal health or for insect or pest control;~~

~~(b) An extraordinary regulation of the State Board of Pharmacy adopted pursuant to NRS 453.2184;~~

~~(c) A regulation adopted by the State Board of Education pursuant to NRS 388.255 or 394.1694; or~~

~~(d) The judicial review of decisions of the Public Utilities Commission of Nevada;~~

~~6. The State Board of Parole Commissioners is subject to the provisions of this chapter for the purpose of adopting regulations but not with respect to any contested case. (Deleted by amendment.)~~

Sec. 3. NRS 628B.560 is hereby amended to read as follows:

628B.560 1. Except as otherwise provided in NRS 159.076, a licensee shall maintain a separate guardianship account for each ward into which all money received for the benefit of the ward must be deposited. Each guardianship account must be maintained in an insured bank or credit union located in this State, be held in a name which is sufficient to distinguish it from the personal or general checking account of the licensee and be designated as a guardianship account. Each guardianship account must at all times account for all money received for the benefit of the ward and account for all money dispersed for the benefit of the ward, and no disbursement may be made from the account except as authorized under chapter 159 of NRS or as authorized by court order.

2. Each licensee shall keep a record of all money deposited in each guardianship account maintained for a ward, which must clearly indicate the date and from whom the money was received, the date the money was deposited, the dates of withdrawals of money and other pertinent information concerning the transactions. Records kept pursuant to this subsection must be maintained for at least 6 years after the completion of the last transaction concerning the account. The records must be maintained at the premises in this State at which the licensee is authorized to conduct business.

3. The Commissioner or his or her designee may conduct an examination of the guardianship accounts and records relating to wards of each private professional guardian company licensed pursuant to this chapter at any time to ensure compliance with the provisions of this chapter.

4. During the first year a private professional guardian is licensed in this State, the Commissioner or his or her designee may conduct any examinations deemed necessary to ensure compliance with the provisions of this chapter.

5. If there is evidence that a private professional guardian company has violated a provision of this chapter, the Commissioner or his or her designee may conduct additional examinations to determine whether a violation has occurred.

6. Each licensee shall authorize the Commissioner or his or her designee to examine all books, records, papers and effects of the private professional guardian company.

7. If the Commissioner determines that the records of a licensee are not maintained in accordance with subsections 1 and 2, the Commissioner may require the licensee to submit, within 60 days, an audited financial statement prepared from the records of the licensee by a certified public accountant who holds a certificate to engage in the practice of public accounting in this State. The Commissioner may grant a reasonable extension of time for the submission of the financial statement if an extension is requested before the statement is due.

8. Upon the request of the Division, a licensee must provide to the Division copies of any documents reviewed during an examination conducted by the Commissioner or his or her designee pursuant to subsection 4, 5 or 6. If the copies are not provided, the Commissioner may subpoena the documents.

9. For each examination of the books, papers, records and effects of a private professional guardian company that is required or authorized pursuant to this chapter, the Commissioner shall charge and collect from the private professional guardian company a fee for conducting the examination and preparing a report of the examination based upon the rate established ~~by regulation~~ and, if applicable, adjusted pursuant to NRS 658.101. Failure to pay the fee within 30 days after

1 receipt of the bill is grounds for revoking the license of the private professional
2 guardian company.

3 10. All money collected under this section must be deposited in the State
4 Treasury pursuant to the provisions of NRS 658.091.

5 **Sec. 4.** NRS 649.295 is hereby amended to read as follows:

6 649.295 1. A nonrefundable fee of not more than \$500 for the application
7 and survey must accompany each new application for a license as a collection
8 agency. Each applicant shall also pay any additional expenses incurred in the
9 process of investigation. All money received by the Commissioner pursuant to this
10 subsection must be placed in the Investigative Account created by NRS 232.545.

11 2. A fee of not less than \$200 or more than \$600, prorated on the basis of the
12 licensing year as provided by the Commissioner, must be charged for each original
13 license issued. A fee of not more than \$500 must be charged for each annual
14 renewal of a license.

15 3. A fee of not more than \$20 must be charged for each duplicate license or
16 license for a transfer of location issued.

17 4. A nonrefundable application fee of not more than \$500 and a
18 nonrefundable investigation fee of not more than \$150 must accompany each
19 application for a manager's certificate.

20 5. A fee of not more than \$40 must be charged for each manager's certificate
21 issued and for each annual renewal of such a certificate.

22 6. A fee of not more than \$60 must be charged for the reinstatement of a
23 manager's certificate.

24 7. A fee of not more than \$10 must be charged for each day an application for
25 the renewal of a license or certificate, or a required report, is filed late, unless the
26 fee or portion thereof is excused by the Commissioner for good cause shown.

27 8. A nonrefundable fee of not more than \$250 for the application and an
28 examination must accompany each application for a permit to operate a branch
29 office of a licensed collection agency. A fee of not more than \$500 must be charged
30 for each annual renewal of such a permit.

31 9. For each examination the Commissioner shall charge and collect from the
32 licensee a fee for conducting the examination and preparing and typing the report of
33 the examination at the rate established *and, if applicable, adjusted* pursuant to NRS
34 658.101. Failure to pay the fee within 30 days after receipt of the bill is a ground
35 for revoking the collection agency's license.

36 10. ~~That~~ *Except as otherwise provided in NRS 658.101, the* Commissioner
37 shall adopt regulations establishing the amount of the fees required pursuant to this
38 section.

39 11. Except as otherwise provided in subsection 1, all money received by the
40 Commissioner pursuant to this chapter must be deposited in the State Treasury
41 pursuant to the provisions of NRS 658.091.

42 **Sec. 5.** NRS 657.210 is hereby amended to read as follows:

43 657.210 1. For the purpose of discovering violations of this title or of
44 securing information lawfully required under this title, the Commissioner or the
45 Commissioner's duly authorized representatives may at any time investigate the
46 business and examine the books, accounts, papers and records used therein of:

47 (a) Any licensee;

48 (b) Any other person engaged in an activity for which a license is required
49 pursuant to the provisions of this title; and

50 (c) Any person whom the Commissioner has reasonable cause to believe is
51 violating or is about to violate any provision of this title, whether or not the person
52 claims to be within the authority or beyond the scope of this title.

2. For the purpose of examination, the Commissioner or the Commissioner's authorized representatives must have and be given free access to the offices and places of business, files, safes and vaults of such persons.

3. The Commissioner may require the attendance of any person and examine the person under oath regarding:

(a) Any transaction or business regulated pursuant to the provisions of this title; or

(b) The subject matter of any audit, examination, investigation or hearing.

4. The Commissioner shall charge and collect from each licensee or other person a fee at the rate established and, if applicable, adjusted pursuant to NRS 658.101 for the cost of any supervision, audit, examination, investigation or hearing conducted pursuant to this title or any regulations adopted pursuant thereto.

Sec. 6. NRS 658.096 is hereby amended to read as follows:

658.096 1. The Commissioner shall charge and collect the following fees in connection with the Commissioner's official duties:

(a) For licensing of state banks:

(1) A fee of not more than \$400 for each parent bank, payable on June 30 of each year.

(2) A fee of not more than \$200 for each branch bank or trust office, payable on June 30 of each year.

➤ The fees must accompany the application for renewal of the license. A penalty of 10 percent of the fee must be charged for each month or part of a month that the fees are not paid after June 30 of each year.

(b) For applications for new branch banks or trust offices, a nonrefundable fee of not more than \$400 for the application and survey, to be paid by the applicant at the time of making the application. The applicant must also pay such additional expenses incurred in the process of investigation as the Commissioner deems necessary. All money received by the Commissioner pursuant to this paragraph must be placed in the Investigative Account for Financial Institutions created by NRS 232.545.

(c) For examinations and the examination of trust departments of state banks or trust offices, a fee for conducting the examination and for preparing and typing the report of the examination at the rate established *and, if applicable, adjusted* pursuant to NRS 658.101.

2. ~~The~~ *Except as otherwise provided in NRS 658.101, the* Commissioner shall adopt regulations establishing the amount of the fees required pursuant to this section.

3. Except as otherwise provided in paragraph (b) of subsection 1, all money collected pursuant to this section must be deposited in the State Treasury pursuant to the provisions of NRS 658.091.

4. As used in this section, "trust office" has the meaning ascribed to it in subsection 4 of NRS 662.239.

Sec. 7. NRS 658.101 is hereby amended to read as follows:

658.101 1. The Commissioner shall establish by regulation rates to be paid by banks and other financial institutions for supervision and examinations by the Commissioner or the Division of Financial Institutions.

2. In establishing a rate pursuant to subsection 1, the Commissioner shall consider:

(a) The complexity of the various examinations to which the rate applies;

(b) The skill required to conduct the examinations;

(c) The expenses associated with conducting the examination and preparing a report; and

(d) Any other factors the Commissioner deems relevant.

3. At least once each year, the Commissioner shall review and analyze the proportional utilization of the resources of the Division of Financial Institutions by banks and other financial institutions as compared to the annual budget approved by the Legislature for the Division of Financial Institutions. If after such review and analysis the Commissioner deems it necessary, the Commissioner shall adjust by regulation the rates established pursuant to subsection 1 by a percentage not to exceed the percentage change in the most recent annual budget approved by the Legislature for the Division of Financial Institutions.

4. The Commissioner shall publish on the Internet website of the Division of Financial Institutions by December 31 of each year the amount of each fee for the following year that results from the rates established and, if applicable, adjusted pursuant to this section.

5. As used in this section, "financial institution" means a depository institution or any other institution or business regulated by the Division of Financial Institutions pursuant to titles 52, 54, 55 and 56. The term includes, without limitation, a holding company, affiliate or subsidiary of such an institution.

Sec. 8. NRS 666A.330 is hereby amended to read as follows:

666A.330 1. A state branch, agency or representative office is subject to examination by the Commissioner to the same extent and in the same manner as if the state branch, agency or representative office were a Nevada bank.

2. In conducting an examination pursuant to this section, the Commissioner:

(a) Is entitled to full access to the offices, books, accounts, papers, records, files, safes and vaults of each office; and

(b) May require the attendance of and examine under oath all persons whose testimony may be required relative to the activities of the office.

3. A foreign bank which is licensed to establish and maintain a state branch, agency or representative office shall pay a fee for conducting the examination and the expenses of preparing and typing the report of the examination at the rate established and, if applicable, adjusted pursuant to NRS 658.101.

Sec. 9. NRS 669.250 is hereby amended to read as follows:

669.250 1. For each examination of a trust company's books and records required or authorized under this chapter, the Commissioner shall charge and collect from the trust company a fee for conducting the examination and in preparing and typing the report of the examination at the rate established and, if applicable, adjusted pursuant to NRS 658.101.

2. All money collected under this section must be deposited in the State Treasury pursuant to the provisions of NRS 658.091.

3. The Commissioner shall examine a licensee as often as the Commissioner deems necessary.

Sec. 10. NRS 669A.260 is hereby amended to read as follows:

669A.260 1. The Commissioner may examine the books and records of a licensed family trust company. For each examination of the books and records of a licensed family trust company as authorized under this chapter, the Commissioner shall charge and collect from the licensed family trust company a fee for conducting the examination and in preparing, typing and copying the report of the examination at the rate established and, if applicable, adjusted pursuant to NRS 658.101.

2. All money collected under this section must be deposited in the State Treasury pursuant to the provisions of NRS 658.091.

1 **Sec. 11.** NRS 671.120 is hereby amended to read as follows:

2 671.120 1. Except as *otherwise* provided in subsection 4, once each year the
3 Commissioner shall examine the financial accounts of each licensee and any other
4 documents relevant to the conduct of the licensee's business, and the Commissioner
5 may conduct examinations at additional times.

6 2. For the purpose of the examinations, the Commissioner may enter upon
7 any of the business premises of a licensee or the licensee's agents and obtain access
8 to the relevant documents. Any obstruction or denial of such an entry or access is a
9 violation of this chapter.

10 3. For each examination the Commissioner shall charge and collect from the
11 licensee a fee for conducting the examination and in preparing and typing the report
12 at the rate established *and, if applicable, adjusted* pursuant to NRS 658.101.

13 4. The Commissioner may accept a report of an audit of the licensee which
14 covers the most recent fiscal year in lieu of conducting an examination.

15 **Sec. 12.** NRS 671.170 is hereby amended to read as follows:

16 671.170 1. The Commissioner may conduct any necessary investigations
17 and hearings to determine whether any licensee or other person has violated any of
18 the provisions of this chapter or whether any licensee has conducted himself or
19 herself in a manner which requires the suspension, revocation or denial of renewal
20 of his or her license.

21 2. In conducting any investigation or hearing pursuant to this chapter, the
22 Commissioner, or any person designated by the Commissioner, may require the
23 attendance and testimony of any person and compel the production of all relevant
24 books, records, accounts and other documents. The *Commissioner shall charge*
25 *and collect from each licensee or other person a fee at the rate established and, if*
26 *applicable, adjusted pursuant to NRS 658.101 for the cost of any supervision,*
27 *audit, examination, [for] investigation [not to exceed \$10 an hour, must be borne*
28 *by the licensee] or hearing conducted pursuant to this chapter or any regulations*
29 *adopted pursuant thereto.*

30 3. The Commissioner may require any licensee to submit such reports
31 concerning the licensee's business as the Commissioner deems necessary for the
32 enforcement of this chapter.

33 4. Except as otherwise provided in NRS 239.0115, all reports of
34 investigations and examinations and other reports rendered pursuant to this section,
35 and all correspondence and memoranda relating to or arising therefrom, including
36 any authenticated copies thereof in the possession of any licensee or the
37 Commissioner, are confidential communications, are not subject to any subpoena,
38 and must not be made public unless the Commissioner determines that justice and
39 the public advantage will be served by their publication. This subsection does not
40 preclude any party to an administrative or judicial proceeding from introducing into
41 evidence any information or document otherwise available or admissible.

42 **Sec. 13.** NRS 673.430 is hereby amended to read as follows:

43 673.430 1. Each association doing business in this State shall file annually
44 with the Commissioner on or before March 1, a sworn statement in two sections.

45 2. One section of the annual report must contain, in such form and detail as
46 the Commissioner may prescribe, the following:

47 (a) The amount of authorized capital by classes and the par value of each class
48 of stock.

49 (b) A statement of its assets, liabilities and capital accounts as of the
50 immediately preceding December 31.

51 (c) Any other facts which the Commissioner requires.

52 ➤ This section must be furnished in duplicate, one certified copy to be returned for
53 publication at least two times in a newspaper having a general circulation in each

1 county in which the association maintains an office. Publication must be completed
2 on or before May 1, and proof of publication must be filed in the Office of the
3 Commissioner.

4 3. One section of the annual report must contain such other information as the
5 Commissioner may require to be furnished. This section need not be published and,
6 except as otherwise provided in NRS 239.0115, must be treated as confidential by
7 the Commissioner.

8 4. The Commissioner may impose and collect a fee of not more than \$10 for
9 each day the annual report is overdue. The Commissioner shall adopt regulations
10 establishing the amount of the fee that may be imposed pursuant to this subsection.

11 5. Every association shall pay to the Commissioner for supervision and
12 examination a fee based on the rate established *and, if applicable, adjusted*
13 pursuant to NRS 658.101.

14 ~~5-1~~ 6. All sums received by the Commissioner pursuant to this section must
15 be deposited in the State Treasury pursuant to the provisions of NRS 658.091.

16 **Sec. 14.** NRS 675.400 is hereby amended to read as follows:

17 675.400 1. At least once each year, the Commissioner or his or her
18 authorized representatives shall make an examination of the place of business of
19 each licensee and of the loans, transactions, books, *accounts*, papers and records of
20 the licensee so far as they pertain to the business licensed under this chapter.

21 2. ~~For each examination the~~ *The* Commissioner shall charge and collect
22 from ~~the~~ *each* licensee a fee ~~for conducting the examination and preparing and~~
23 ~~typing the report of the examination~~ at the rate established *and, if applicable,*
24 *adjusted* pursuant to NRS 658.101 ~~for the cost of any supervision, audit,~~
25 *examination, investigation or hearing conducted pursuant to this chapter or any*
26 *regulations adopted pursuant thereto.*

27 3. All money collected by the Commissioner pursuant to subsection 2 must be
28 deposited in the State Treasury pursuant to the provisions of NRS 658.091.

29 **Sec. 15.** NRS 676A.730 is hereby amended to read as follows:

30 676A.730 1. The Commissioner may act on his or her own initiative or in
31 response to complaints and may receive complaints, take action to obtain voluntary
32 compliance with this chapter, refer cases to the Attorney General and seek or
33 provide remedies as provided in this chapter.

34 2. The Commissioner may investigate and examine, in this State or elsewhere,
35 by subpoena or otherwise, the activities, books, accounts and records of a person
36 that provides or offers to provide debt-management services, or a person to which a
37 provider has delegated its obligations under an agreement or this chapter, to
38 determine compliance with this chapter. Information that identifies individuals who
39 have agreements with the provider must not be disclosed to the public. In
40 connection with the investigation, the Commissioner : ~~may~~

41 (a) ~~Charge~~ *Shall charge and collect from* the person ~~the reasonable~~
42 ~~expenses necessarily incurred to conduct the examination~~ *a fee at the rate*
43 *established and, if applicable, adjusted pursuant to NRS 658.101 for the cost of*
44 *any supervision, audit, examination, investigation or hearing conducted pursuant*
45 *to this chapter or any regulations adopted pursuant thereto;*

46 (b) ~~Require~~ *May require* or permit a person to file a statement under oath as
47 to all the facts and circumstances of a matter to be investigated; and

48 (c) ~~Seek~~ *May seek* a court order authorizing seizure from a bank at which the
49 person maintains a trust account required by NRS 676A.570, any or all money,
50 books, records, accounts and other property of the provider that is in the control of
51 the bank and relates to individuals who reside in this State.

52 3. The Commissioner may adopt regulations to implement the provisions of
53 this chapter.

4. The Commissioner may enter into cooperative arrangements with any other federal or state agency having authority over providers and may exchange with any of those agencies information about a provider, including, without limitation, information obtained during an examination of the provider.

~~5. The~~ *Except as otherwise provided in NRS 658.101, the* Commissioner, by regulation, shall establish reasonable fees to be paid by providers for the expense of administering this chapter. The Commissioner may, in his or her discretion, establish a reduced fee schedule for providers that are qualified nonprofit entities.

6. The Commissioner, by regulation, shall adopt dollar amounts instead of those specified in NRS 676A.030, 676A.310, 676A.350, 676A.390, 676A.580, 676A.740 and 676A.760 to reflect inflation, as measured by the Consumer Price Index for All Urban Consumers, published by the United States Department of Labor, or, if that Index is not available, another index adopted by regulation by the Commissioner. The Commissioner shall adopt a base year and adjust the dollar amounts, effective on July 1 of each year, if the change in the index from the base year, as of December 31 of the preceding year, is at least 10 percent. The dollar amount must be rounded to the nearest \$100, except that the amounts in NRS 676A.580 must be rounded to the nearest dollar.

7. The Commissioner shall notify registered providers of any change in dollar amounts made pursuant to subsection 6 and make that information available to the public.

8. The Commissioner, by regulation, may:

(a) Require a provider to make additional disclosures before an individual assents to an agreement, including, without limitation, disclosures that:

(1) Nothing in the agreement requires the individual's creditors to accept payments pursuant to a plan.

(2) Nothing in the agreement prevents creditors of the individual from pursuing collection efforts, including, without limitation, telephone calls for the purpose of collecting a debt, and that creditors may sue the individual for any debt that remains unpaid.

(3) The provider cannot provide legal services or advice and, if the individual is sued, the individual should seek legal services or advice.

(4) The provider is not a credit repair organization and does not claim that the plan will have a positive impact on the credit score of the individual.

(5) If an agreement contemplates that a provider will develop and implement a debt-management plan, a creditor may be included in the debt-management plan even if the creditor does not make a contribution.

(b) Establish any requirements and prohibitions with respect to advertising by providers which do not violate the Nevada Constitution or the Constitution of the United States. Such regulations may include, without limitation, a requirement that a provider submit all advertising used by the provider to the Commissioner within 30 days after the first publication of the advertisement.

Sec. 16. NRS 677.430 is hereby amended to read as follows:

677.430 1. At least once each year, the Commissioner or his or her authorized representatives shall make an examination of the place of business of each licensee and of the loans, transactions, books, papers and records of such licensee so far as they pertain to the business licensed under this chapter.

2. For each examination the Commissioner shall charge and collect from the licensee a fee for conducting the examination and preparing and typing the report of the examination at the rate established *and, if applicable, adjusted* pursuant to NRS 658.101.

1 **Sec. 17.** NRS 678.3435 is hereby amended to read as follows:

2 678.3435 1. The Commissioner shall charge and collect a fee of not more
3 than \$1,000 for an initial investigation from each foreign credit union which applies
4 for certification. The fee is not refundable. An annual fee of not more than \$1,000
5 must be paid by each foreign credit union for its initial office and not more than
6 \$200 for each branch office. Costs for additional examinations and investigations
7 must be paid by the credit union *to the Commissioner at ~~an hourly~~ the rate*
8 ~~*deemed reasonable by the Commissioner.*~~ *established and, if applicable, adjusted*
9 *pursuant to NRS 658.101.*

10 2. ~~*The*~~ *Except as otherwise provided in NRS 658.101, the* Commissioner
11 shall by regulation determine the amount of the fees required pursuant to this
12 section.

13 **Sec. 18.** NRS 678.790 is hereby amended to read as follows:

14 678.790 1. The Commissioner shall make a thorough examination of and
15 into the affairs of each credit union organized under the provisions of this chapter,
16 as often as the Commissioner may deem necessary, but at least once within each
17 18-month period. In lieu thereof, the Commissioner may accept any or all of a
18 report of an examination of a credit union made by a federal regulatory agency. If
19 the Commissioner accepts any part of such a report in one 18-month period, he or
20 she shall examine the credit union to which the report pertains in the succeeding 18-
21 month period. For the purpose of performing the examination, the Commissioner
22 may:

- 23 (a) Subpoena witnesses and documents;
24 (b) Administer oaths; and
25 (c) Compel the giving of testimony.

26 2. The report of the examination must contain comments to the members
27 relative to the management of the affairs of the credit union and the general
28 condition of the assets. Within 30 days following the receipt of the report, the
29 directors shall call a general meeting of key personnel to consider matters contained
30 in the report.

31 3. The Commissioner shall forward a copy of the report to the chair of each
32 credit union within 30 days after it is completed. The board of directors shall
33 inform the members of the credit union of its general condition at the next annual
34 meeting.

35 4. For each examination the credit union shall pay a fee based on the rate
36 established *and, if applicable, adjusted* pursuant to NRS 658.101.

37 5. The board of directors may engage a certified public accountant to perform
38 such an examination in lieu of the Commissioner. In such cases, the examination
39 must be equivalent to the type of examination made by the Commissioner and the
40 expense must be borne by the credit union being inspected.

41 6. The Commissioner shall determine whether an examination performed by
42 an accountant pursuant to subsection 5 is equivalent to an examination conducted
43 by the Commissioner. The Commissioner may examine any area of the operation of
44 a credit union if the Commissioner determines that the examination of that area is
45 not equivalent to an examination conducted by the Commissioner.

46 **Sec. 19.** This act becomes effective upon passage and approval.