REQUIRES TWO-THIRDS MAJORITY VOTE (§ 12)

S.B. 161

SENATE BILL NO. 161–SENATOR KIECKHEFER

FEBRUARY 14, 2019

Referred to Committee on Commerce and Labor

SUMMARY—Provides for the establishment of the Regulatory Experimentation Program for Product Innovation. (BDR 52-875)

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 businesses; requiring the Attorney General to establish and administer the Regulatory Experimentation Program for Product Innovation; setting forth the requirements for the operation of the Program; providing for a temporary exemption from certain statutory and regulatory requirements related to financial products and services for a participant in the Program under certain circumstances; requiring the Attorney General to submit to the Legislature an annual report on the Program; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

The existing provisions of chapters 90, 604A, 604B, 628A, 645A, 645B, 645F and 645G of NRS, titles 55 and 56 of NRS and the various regulations adopted pursuant to those statutes impose licensing and other regulatory requirements on the provision of certain financial products and services, ranging from investment advice and consumer lending to banking and debt counseling. This bill, modeled after similar legislation from Arizona, generally provides for the establishment and administration of a program by the Attorney General under which persons offering or providing such a product or service in a technically innovative way may seek a temporary exemption from some or all of the statutory and regulatory provisions that otherwise apply to the product or service. (Ariz. Rev. Stat. Ann. §§ 41-5601 et seq.) At the end of the period of exemption, a participant in the program must cease to provide the product or service or continue operations in accordance with applicable licensing and other requirements.

Section 11 of this bill requires the Attorney General to establish and administer the Regulatory Experimentation Program for Product Innovation. A person who desires to become a participant in the Program is required by **section 12** of this bill to submit an application to the Attorney General. If the Attorney General approves the application, **section 15** of this bill provides that the product or service of the participant is generally exempt from any provision of chapter 90, 604A, 604B, 628A, 645A, 645B, 645F or 645G of NRS, title 55 or 56 of NRS or any regulation adopted pursuant to any of those statutes, except as the Attorney General may otherwise require.

Sections 16-18 of this bill establish requirements and limitations on the provisions of a product or service under the Program. **Section 16** of this bill limits the number of consumers in this State to whom a product or service may be provided by a participant, while **sections 17 and 18** of this bill impose certain specific requirements and limitations applicable to participants who are transmitters of money, financial planners, investment advisers or representatives of investment advisers. **Section 19** of this bill authorizes the Attorney General to grant relief from some of these requirements and limitations under certain circumstances.

Sections 20-24 of this bill govern the operation of the Program. **Section 20** of this bill sets forth certain disclosures that must be made before a product or service is provided to a recipient of the product or service. **Section 21** of this bill requires the Attorney General to establish a system for the submission of complaints. **Sections 22 and 23** of this bill contain provisions relating to recordkeeping and the confidentiality of records relating to the Program.

Pursuant to **sections 25 and 26** of this bill, the period of participation in the Program is generally limited to 2 years, at which time a participant must cease to offer or provide a product or service under the Program. A participant may seek an extension of this period to apply for any license or other authorization otherwise required for the product or service.

Section 27 of this bill authorizes the Attorney General to act to enjoin or otherwise prevent any violation of the provisions governing the Program. **Section 30** of this bill authorizes the Attorney General to adopt regulations necessary to carry out the Program. **Section 31** of this bill requires the Attorney General to report annually to the Legislature on the status of the Program. **Sections 32-46** of this bill make conforming changes.

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

Section 1. Chapter 597 of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 31, inclusive, of this act.

Sec. 2. ***As used in sections 2 to 31, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 3 to 10, inclusive, of this act have the meanings ascribed to them in those sections.***

Sec. 3. ***"Applicable regulator" means an official or agency of this State, as identified by the Attorney General, responsible for regulating a financial product or service.***

Sec. 4. ***"Attorney General" means the Attorney General of the State of Nevada or his or her designee.***

Sec. 5. ***"Consumer" means any person who purchases or otherwise enters into a transaction or agreement to receive a financial product or service.***

Sec. 6. ***"Financial product or service" or "product or service" means any product, service, activity, business model, mechanism for delivery or element of any of these that:***

1. Includes an innovation; and

2. But for the provisions of sections 2 to 31, inclusive, of this act, is governed by the provisions of chapter 90, 604A, 604B, 628A, 645A, 645B, 645F or 645G of NRS, title 55 or 56 of NRS or any regulation adopted pursuant thereto.

Sec. 7. ***"Innovation" means any use of a new or emerging technology, or any novel use of an existing technology, to address a problem, provide a benefit or otherwise offer or provide a financial product or service that is determined by the Attorney General not to be widely available in this State.***

Sec. 8. ***"Participant" means a person whose application to participate in the Program has been approved by the Attorney General pursuant to section 14 of this act.***

Sec. 9. ***"Program" means the Regulatory Experimentation Program for Product Innovation established and administered by the Attorney General pursuant to sections 2 to 31, inclusive, of this act.***

Sec. 10. ***"Test" means to offer or provide a financial product or service through the Program.***

Sec. 11. ***In consultation with each applicable regulator, the Attorney General shall establish and administer the Regulatory Experimentation Program for Product Innovation to enable a person to obtain limited access to markets in this State to test a financial product or service without:***

1. Applying for or obtaining any license or other authorization otherwise required by any provision of chapter 90, 604A, 604B, 628A, 645A, 645B, 645F or 645G of NRS, title 55 or 56 of NRS or any regulation adopted pursuant thereto; or

2. Otherwise complying with any provision of chapter 90, 604A, 604B, 628A, 645A, 645B, 645F or 645G of NRS, title 55 or 56 of NRS or any regulation adopted pursuant thereto, except as otherwise required by the Attorney General pursuant to section 15 of this act.

Sec. 12. ***1. A person who desires to participate in the Program to test a financial product or service must submit a written application in accordance with this section, in the form prescribed by the Attorney General. A separate application must be filed for each product or service proposed for testing.***

2. The application must show that the applicant will at all times during the test:

(a) Be subject to the exercise of personal jurisdiction by the courts of this State; and

(b) Establish and maintain a physical or virtual location that is reasonably accessible to the Attorney General, from which testing will occur and at which all records, documents and data required by sections 2 to 31, inclusive, of this act will be maintained.

3. The application must include:

(a) A description of the product or service proposed for testing and an explanation of:

(1) The innovation included in the product or service;

(2) The regulatory scheme otherwise applicable to the product or service outside the Program;

(3) Any benefit of the product or service to consumers;

(4) Any risk of financial loss or other harm to consumers associated with the product or service;

(5) The nature or features of the product or service that distinguish it from any similar product or service available in this State; and

(6) The manner in which participation in the Program will facilitate a successful test of the product or service;

(b) A statement of the proposed plan for testing the product or service, including:

(1) An estimate of the dates or periods of time anticipated for entry into and exit from the relevant market in this State;

(2) Measures to protect consumers from financial loss or other harm caused by a failure of the test; and

(3) The plan to wind up and terminate the test;

(c) The full legal name, address, telephone number, electronic mail address and website address of the applicant and, if the applicant is not a natural person, each officer, director or other principal of the applicant;

(d) A description of any criminal conviction and any final administrative suspension, revocation or termination of a professional or occupational license of the applicant and any other person described in paragraph (c) if such a conviction or suspension, revocation or termination occurred in this State or another jurisdiction within the 5 years immediately preceding the date of the application;

(e) The consent of the applicant to the provisions for choice of law and provisions for the selection of a forum as prescribed by the Attorney General; and

(f) Any other information deemed necessary by the Attorney General.

4. The application must be submitted to the Attorney General and be accompanied by a nonrefundable fee of not more than $1,000. Any fees collected pursuant to this section must be deposited in the Attorney General's Administration Budget

Account and used solely to pay the expenses of administering the Program. Those expenses which are in excess of the amount available in the Account for that purpose must be paid out of the legislative appropriation for the support of the Office of the Attorney General.

Sec. 13. *1. The Attorney General may refuse to consider any application submitted pursuant to section 12 of this act if the application does not include the information required by section 12 of this act or any other information deemed necessary by the Attorney General. The applicant shall provide, within the period directed by the Attorney General, any additional information required in connection with the application. If the required information is not provided, the application may be denied by the Attorney General as incomplete.*

2. Upon receipt of a completed application and payment of the required fee, the Attorney General shall identify and consult with each applicable regulator having an interest in the subject of the application. The consultation is advisory only and not binding on the Attorney General. The consultation may relate to any matter deemed by the Attorney General to be relevant to the application, including, without limitation:

(a) Any license or other authorization previously issued by the applicable regulator, or the corresponding regulator in another jurisdiction, to the applicant or any other person described in paragraph (c) of subsection 3 of section 12 of this act;

(b) Any criminal, civil, administrative or other proceeding previously brought by or on behalf of the applicable regulator, or the corresponding regulator in any other jurisdiction, against the applicant or any other person described in paragraph (c) of subsection 3 of section 12 of this act; and

(c) The ability of the applicant or any other person described in paragraph (c) of subsection 3 of section 12 of this act to qualify for a license or other authorization from the applicable regulator upon the completion of testing.

3. Unless the Attorney General and the applicant mutually agree to extend this period, the Attorney General shall approve or deny an application within 90 days after the completed application is received.

Sec. 14. *1. Except as otherwise provided in this subsection, the Attorney General may approve or deny any application or request submitted pursuant to sections 2 to 31, inclusive, of this act. The Attorney General may not approve an application or request if provision of the relevant financial product or service to consumers in this State would exceed the applicable limitation provided by subsection 2 or 3 of section 16 of this act.*

2. The Attorney General shall give the applicant or participant written notice of the approval or denial of the application or request within 5 business days after the date of approval or denial.

3. The approval or denial of an application or request is final and not subject to administrative or judicial review.

Sec. 15. *1. If the Attorney General approves an application to participate in the Program:*

(a) The applicant shall be deemed a participant.

(b) The Attorney General shall issue a registration number unique to the approval.

(c) Except as otherwise required by the Attorney General pursuant to subsection 2 or as provided in section 18 of this act, a product or service offered or provided within the scope of the Program is exempt from any provision of chapter 90, 604A, 604B, 628A, 645A, 645B, 645F or 645G of NRS, title 55 or 56 of NRS or any regulation adopted pursuant thereto.

2. In addition to any other requirements or limitations of section 16, 17 or 18 of this act that apply to a product or service, the Attorney General may condition approval of an application upon compliance by the participant with one or more provisions of chapter 90, 604A, 604B, 628A, 645A, 645B, 645F or 645G of NRS, title 55 or 56 of NRS or any regulation adopted pursuant thereto.

3. A notice of approval of an application given pursuant to section 14 of this act must be accompanied by a copy of the provisions of sections 2 to 31, inclusive, of this act and any applicable regulations of the Attorney General then in effect, and set forth:

(a) The registration number applicable to the approval;

(b) The period of testing prescribed by section 25 of this act;

(c) The general limitations of section 16 of this act, any additional requirements or limitations applicable specifically to the product or service pursuant to section 17 or 18 of this act and any conditions imposed pursuant to subsection 2; and

(d) Any additional information required by the Attorney General to be disclosed to consumers pursuant to subsection 2 of section 20 of this act.

Sec. 16. *Any financial product or service provided within the scope of the Program is subject to the following requirements and limitations:*

1. Any consumer of the product or service must be a resident of this State on the date that the product or service is first provided to the consumer.

2. Except as otherwise provided in subsection 3, not more than 5,000 consumers may be provided a given product or service by a participant during the period of testing.

3. If the Attorney General approves a request for relief by a participant pursuant to section 19 of this act, not more than 7,500 consumers may be provided a given product or service by the participant during the period of testing.

Sec. 17. *1. Except as otherwise provided in subsection 2, in addition to complying with any other applicable requirements and limitations, a participant who is testing a financial product or service within the scope of the Program for which a license is otherwise required pursuant to chapter 671 of NRS shall not receive for transmission or transmit during the period of testing:*

(a) More than $2,500 in any single transaction for a consumer.

(b) More than $25,000 in any series of transactions for a consumer.

2. If the Attorney General approves a request for relief by a participant pursuant to section 19 of this act, the participant shall not receive for transmission or transmit during the period of testing:

(a) More than $15,000 in any single transaction for a consumer.

(b) More than $50,000 in any series of transactions for a consumer.

Sec. 18. *1. In addition to complying with any other applicable requirements and limitations, a participant who is testing a financial product or service within the scope of the Program as a financial planner, investment adviser or a representative of an investment adviser shall:*

(a) File with the applicable regulator a copy of any notice or written undertaking filed by the participant with the Securities and Exchange Commission pursuant to 17 C.F.R. § 275.204-2.

(b) Comply with:

(1) Any provision of chapter 90 or 628A of NRS, as applicable; and

(2) Any regulation of the applicable regulator,

➥ relating to unethical and dishonest practices, information required to be furnished to consumers, the custody of money or securities belonging to consumers and the disclosure of financial and disciplinary information to consumers.

2. As used in this section:

(a) "Financial planner" has the meaning ascribed to it in NRS 628A.010.

(b) "Investment adviser" has the meaning ascribed to it in NRS 90.250.

(c) "Representative of an investment adviser" has the meaning ascribed to it in NRS 90.278

Sec. 19. ***1. At any time during the period of testing a financial product or service, a participant may submit to the Attorney General a written request for relief from the limitations of subsection 2 of section 16 of this act or subsection 1 of section 17 of this act, or both, as they otherwise apply to the participant.***

2. In accordance with any regulations adopted pursuant to section 30 of this act, the Attorney General may:

(a) Approve a request for relief if the Attorney General determines that the participant has adequate capitalization and satisfactory procedures and processes in place for the oversight of its operations and the management of risk.

(b) Rescind or modify at any time his or her approval of a request for relief.

3. The approval, denial, rescission or modification of approval of a request for relief is final and not subject to administrative or judicial review.

Sec. 20. ***1. Before providing any financial product or service to a consumer, a participant shall disclose to the consumer:***

(a) The name and contact information of the participant;

(b) The registration number applicable to the product or service, as issued by the Attorney General pursuant to section 15 of this act;

(c) The fact that the product or service is generally exempt from any provisions of chapter 90, 604A, 604B, 628A, 645A, 645B, 645F or 645G of NRS, title 55 or 56 of NRS or any regulation adopted pursuant thereto, except as otherwise required by the Attorney General pursuant to section 15 of this act or as provided in section 18 of this act;

(d) If applicable, the fact that the participant is not the holder of a license or other authorization in this State to provide any product or service outside the scope of the Program;

(e) The fact that the participant has been approved to provide the product or service pursuant to sections 2 to 31, inclusive, of this act, but that the product or service is not endorsed or recommended by the Attorney General or any governmental agency;

(f) The fact that the product or service is provided as part of a test and may be discontinued at or before the end of the test, with the date on which the test is expected to end; and

(g) The fact that the consumer may submit a complaint to the Attorney General relating to the product or service, with the telephone number and Internet address of the Internet website maintained by the Attorney General pursuant to section 21 of this act.

2. The Attorney General may condition approval of an application to participate in the Program on, or require at any time thereafter, the disclosure by a participant of information relating to a product or service in addition to the disclosures required by subsection 1. The Attorney General shall give written notice to the participant of any additional disclosures required pursuant to this subsection.

3. The disclosures required by subsections 1 and 2, as applicable, must be clear and conspicuous and must be provided in English and Spanish. If a product or service is provided through an Internet website or mobile application, the consumer must acknowledge receipt of the disclosures before the completion of any transaction.

Sec. 21. ***The Attorney General shall establish and maintain a toll-free telephone number and Internet website through which a consumer may submit a complaint relating to any financial product or service provided by a participant.***

Sec. 22. ***1. The Attorney General may establish by regulation periodic reporting requirements for participants in the Program.***

2. On request by the Attorney General, a participant shall make any requested record, information or data available for inspection and copying by the Attorney General.

3. Each participant shall retain, for not less than 2 years after the end of the prescribed period of testing or for such longer period as the Attorney General requires by order or regulation, all records and data produced in the ordinary course of business relating to a financial product or service tested in the Program.

4. If a product or service fails before the end of the period of testing, the participant shall:

(a) Give written notice of the failure to the Attorney General.

(b) Include in the notice a description of any action taken by the participant to protect consumers from financial loss or other harm caused by the failure.

5. In addition to providing any other disclosure or notice of the unauthorized acquisition of computerized data required by any applicable statute or regulation, a participant shall promptly notify the Attorney General of any unauthorized acquisition of computerized data constituting a breach of the security of the system data as that term is defined in NRS 603A.020.

Sec. 23. ***1. Any record or information in a record submitted to or obtained by the Attorney General or an applicable regulator pursuant to sections 2 to 31, inclusive, of this act:***

(a) Except as otherwise provided in this section, is confidential and not a public book or record within the meaning of NRS 239.010.

(b) May be disclosed by the Attorney General or an applicable regulator to:

(1) Any governmental agency or official; or

(2) A federal, state or county grand jury in response to a lawful subpoena.

2. Any disclosure pursuant to subsection 1 of a complaint relating to a financial product or service or the results of an examination, inquiry or investigation relating to a participant or product or service does not make the relevant record or information in a record a public record within the meaning of NRS 239.010, and a participant shall not disclose any such record or information to the general public except in connection with any disclosure required by law. A participant shall not disclose, use or refer to any comments, conclusions or results of an examination, inquiry or investigation in any communication to a consumer or potential consumer.

3. The Attorney General and any applicable regulator are immune from civil liability for any damages sustained because of a disclosure of any record or information in a record that is received or obtained pursuant to sections 2 to 31, inclusive, of this act.

4. Nothing contained in this section shall be deemed to preclude the disclosure of any record or information in a record that is admissible in evidence in any civil or criminal proceeding brought by a state or federal law enforcement agency to enforce or prosecute a civil or criminal violation of any law.

Sec. 24. ***Any information, writing, signature, record or disclosure required by the provisions of sections 2 to 31, inclusive, of this act or any regulation adopted pursuant thereto, may:***

1. Be obtained, recorded, provided or maintained by a participant in electronic form.

2. With the approval of the Attorney General, be substituted by a participant with any substantially equivalent information, writing, signature, record or disclosure.

Sec. 25. ***Unless a timely request for an extension of the period of testing is made and approved pursuant to section 26 of this act:***

1. The period of testing for a financial product or service ends 2 years after the date of the notice given pursuant to section 14 of this act.

2. Except as otherwise provided in this subsection, the participant shall, within 60 days after the end of the period of testing, wind down the test and cease offering or providing the product or service. If the product or service entails the performance of any ongoing duty or function, such as the servicing of a loan, the participant shall continue to perform or contract with another person for the continued performance of the duty or function.

Sec. 26. *1. A participant may request an extension of the period of testing to apply for any license or other authorization required for the financial product or service by any statute or regulation of this State. A participant who desires such an extension must submit a written request to the Attorney General not less than 30 days before the end of the period of testing.*

2. The Attorney General shall:

(a) Approve or deny the requested extension before the end of the prescribed period of testing; and

(b) Give written notice of the approval or denial as provided in section 14 of this act.

3. Only one extension of the period of testing may be granted pursuant to this section. Any such extension must not exceed 1 year in duration.

4. A participant who obtains an extension shall report periodically to the Attorney General, in writing, on the status of the efforts of the participant to obtain a license or other authorization. The first such report must be submitted within 90 days after the date of the notice described in subsection 2, and subsequent reports must be submitted at intervals of not more than 90 days until the application of the participant for a license or other authorization is finally approved or finally denied by the applicable regulator.

Sec. 27. *1. If the Attorney General has reasonable cause to believe that a participant has engaged in, is engaging in or threatens to engage in any act or omission in violation of any provision of sections 2 to 31, inclusive, of this act or any other applicable statute or regulation for which a civil or criminal penalty is prescribed, the Attorney General may:*

(a) Bring an action in any court of competent jurisdiction to enjoin the violation;

(b) Remove the participant from the Program or order the participant to exit the Program; or

(c) Take any combination of those actions.

2. A removal of or compelled exit of a participant from the Program is final and not subject to administrative or judicial review.

Sec. 28. ***1. Nothing contained in sections 2 to 31, inclusive, of this act shall be deemed to prohibit a participant who holds a license or other authorization in another jurisdiction from acting in accordance with that license or authorization.***

2. The Attorney General may enter into an agreement with any governmental agency or official of any other jurisdiction to authorize:

(a) A participant to operate in such a jurisdiction; or

(b) A person who is authorized to operate in such a jurisdiction to be a participant.

Sec. 29. ***For the purposes of any federal statute or regulation requiring a participant to hold a license or other authorization from this State in connection with a financial product or service, a participant shall be deemed to hold such a license or other authorization.***

Sec. 30. ***The Attorney General may adopt such regulations as he or she deems necessary to carry out the provisions of sections 2 to 31, inclusive, of this act.***

Sec. 31. ***1. On or before March 1 of each year, the Attorney General shall prepare and submit to the Director of the Legislative Counsel Bureau, for transmittal to the Legislature, a report on the operation and status of the Program.***

2. The report must include, for the immediately preceding calendar year:

(a) The number of applications submitted to participate in the Program, and the number of applications that were approved or denied;

(b) With respect to the applications that were denied, a description of the reasons for denial; and

(c) With respect to the applications that were approved:

(1) A description of each financial product or service provided by each participant in the Program;

(2) A statement of the number of participants providing each product or service; and

(3) An estimate of the number of consumers using each product or service.

3. The report may include any recommendations for legislation relating to the Program and any other information that the Attorney General deems relevant.

Sec. 32. NRS 604A.250 is hereby amended to read as follows:

604A.250 The provisions of this chapter do not apply to:

1. Except as otherwise provided in NRS 604A.200, a person doing business pursuant to the authority of any law of this State or of the United States relating to banks, national banking associations, savings banks, trust companies, savings and loan associations, credit unions, mortgage brokers, mortgage bankers, thrift companies or insurance companies, including, without limitation, any affiliate or subsidiary of such a person regardless of whether the affiliate or subsidiary is a bank.

2. A person who is primarily engaged in the retail sale of goods or services who:

(a) As an incident to or independently of a retail sale or service, from time to time cashes checks for a fee or other consideration of not more than $2; and

(b) Does not hold himself or herself out as a check-cashing service.

3. A person while performing any act authorized by a license issued pursuant to chapter 671 of NRS.

4. A person who holds a nonrestricted gaming license issued pursuant to chapter 463 of NRS while performing any act in the course of that licensed operation.

5. A person who is exclusively engaged in a check-cashing service relating to out-of-state checks.

6. A corporation organized pursuant to the laws of this State that has been continuously and exclusively engaged in a check-cashing service in this State since July 1, 1973.

7. A pawnbroker, unless the pawnbroker operates a check-cashing service, deferred deposit loan service, high-interest loan service or title loan service.

8. A real estate investment trust, as defined in 26 U.S.C. § 856.

9. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan's trustee.

10. An attorney at law rendering services in the performance of his or her duties as an attorney at law if the loan is secured by real property.

11. A real estate broker rendering services in the performance of his or her duties as a real estate broker if the loan is secured by real property.

12. Any firm or corporation:

(a) Whose principal purpose or activity is lending money on real property which is secured by a mortgage;

(b) Approved by the Federal National Mortgage Association as a seller or servicer; and

(c) Approved by the Department of Housing and Urban Development and the Department of Veterans Affairs.

13. A person who provides money for investment in loans secured by a lien on real property, on his or her own account.

14. A seller of real property who offers credit secured by a mortgage of the property sold.

15. A person who makes a refund anticipation loan, unless the person operates a check-cashing service, deferred deposit loan service, high-interest loan service or title loan service.

16. A person who exclusively extends credit to any person who is not a resident of this State for any business, commercial or agricultural purpose that is located outside of this State.

17. Except as otherwise required by the Attorney General pursuant to section 15 of this act, a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 33. Chapter 604B of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 34. Chapter 90 of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 35. NRS 239.010 is hereby amended to read as follows:

239.010 1. Except as otherwise provided in this section and NRS 1.4683, 1.4687, 1A.110, 3.2203, 41.071, 49.095, 49.293, 62D.420, 62D.440, 62E.516, 62E.620, 62H.025, 62H.030, 62H.170, 62H.220, 62H.320, 75A.100, 75A.150, 76.160, 78.152, 80.113, 81.850, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.345, 88A.7345, 89.045, 89.251, 90.730, 91.160, 116.757, 116A.270, 116B.880, 118B.026, 119.260, 119.265, 119.267, 119.280, 119A.280, 119A.653, 119B.370, 119B.382, 120A.690, 125.130, 125B.140, 126.141, 126.161, 126.163, 126.730, 127.007, 127.057, 127.130, 127.140, 127.2817, 128.090, 130.312, 130.712, 136.050, 159.044, 159A.044, 172.075, 172.245, 176.01249, 176.015, 176.0625, 176.09129, 176.156, 176A.630, 178.39801, 178.4715, 178.5691, 179.495, 179A.070, 179A.165, 179D.160, 200.3771, 200.3772, 200.5095, 200.604, 202.3662, 205.4651, 209.392, 209.3925, 209.419, 209.521, 211A.140, 213.010, 213.040, 213.095, 213.131, 217.105, 217.110, 217.464, 217.475, 218A.350, 218E.625, 218F.150, 218G.130, 218G.240, 218G.350, 228.270, 228.450, 228.495, 228.570, 231.069, 231.1473, 233.190, 237.300, 239.0105, 239.0113, 239B.030, 239B.040, 239B.050, 239C.140, 239C.210, 239C.230, 239C.250, 239C.270, 240.007, 241.020, 241.030, 241.039, 242.105, 244.264, 244.335, 247.540, 247.550, 247.560, 250.087, 250.130, 250.140, 250.150, 268.095, 268.490, 268.910, 271A.105, 281.195, 281.805, 281A.350, 281A.680, 281A.685, 281A.750, 281A.755, 281A.780, 284.4068, 286.110, 287.0438, 289.025, 289.080, 289.387, 289.830, 293.4855, 293.5002, 293.503, 293.504, 293.558, 293.906, 293.908, 293.910, 293B.135, 293D.510, 331.110, 332.061, 332.351, 333.333, 333.335, 338.070, 338.1379, 338.1593, 338.1725, 338.1727, 348.420, 349.597, 349.775, 353.205, 353A.049, 353A.085, 353A.100, 353C.240, 360.240, 360.247, 360.255, 360.755, 361.044, 361.610, 365.138, 366.160, 368A.180, 370.257, 370.327, 372A.080, 378.290, 378.300, 379.008, 379.1495, 385A.830, 385B.100, 387.626, 387.631, 388.1455, 388.259, 388.501, 388.503, 388.513, 388.750, 388A.247, 388A.249, 391.035, 391.120, 391.925, 392.029, 392.147, 392.264, 392.271, 392.315, 392.317, 392.325, 392.327, 392.335, 392.850, 394.167, 394.1698, 394.447, 394.460, 394.465, 396.3295, 396.405, 396.525, 396.535, 396.9685, 398A.115, 408.3885, 408.3886, 408.3888, 408.5484, 412.153, 416.070, 422.2749, 422.305, 422A.342, 422A.350, 425.400, 427A.1236, 427A.872, 432.028, 432.205, 432B.175, 432B.280, 432B.290, 432B.407, 432B.430, 432B.560, 432B.5902, 433.534, 433A.360, 437.145, 439.840, 439B.420, 440.170, 441A.195, 441A.220, 441A.230, 442.330, 442.395, 442.735, 445A.665, 445B.570, 449.209, 449.245, 449A.112, 450.140, 453.164, 453.720, 453A.610, 453A.700, 458.055, 458.280, 459.050, 459.3866, 459.555, 459.7056, 459.846, 463.120, 463.15993, 463.240, 463.3403, 463.3407, 463.790, 467.1005, 480.365, 480.940, 481.063, 481.091, 481.093, 482.170, 482.5536, 483.340, 483.363, 483.575, 483.659, 483.800, 484E.070, 485.316, 501.344, 503.452, 522.040, 534A.031, 561.285, 571.160, 584.655, 587.877, 598.0964, 598.098, 598A.110, 599B.090, 603.070, 603A.210, 604A.710, 612.265, 616B.012, 616B.015, 616B.315, 616B.350, 618.341, 618.425, 622.310, 623.131, 623A.137, 624.110, 624.265, 624.327, 625.425, 625A.185, 628.418, 628B.230, 628B.760, 629.047, 629.069, 630.133, 630.30665, 630.336, 630A.555, 631.368, 632.121, 632.125, 632.405, 633.283, 633.301, 633.524, 634.055, 634.214, 634A.185, 635.158, 636.107, 637.085, 637B.288, 638.087, 638.089, 639.2485, 639.570, 640.075, 640A.220, 640B.730, 640C.400, 640C.600, 640C.620, 640C.745, 640C.760, 640D.190, 640E.340, 641.090, 641.325, 641A.191, 641A.289, 641B.170, 641B.460, 641C.760, 641C.800, 642.524, 643.189, 644A.870, 645.180, 645.625, 645A.050, 645A.082, 645B.060, 645B.092, 645C.220, 645C.225, 645D.130, 645D.135, 645E.300, 645E.375, 645G.510, 645H.320, 645H.330, 647.0945, 647.0947, 648.033, 648.197, 649.065, 649.067, 652.228, 654.110, 656.105, 661.115, 665.130, 665.133, 669.275, 669.285, 669A.310, 671.170, 673.450, 673.480, 675.380, 676A.340, 676A.370, 677.243, 679B.122, 679B.152, 679B.159, 679B.190, 679B.285, 679B.690, 680A.270, 681A.440, 681B.260, 681B.410, 681B.540, 683A.0873, 685A.077, 686A.289, 686B.170, 686C.306, 687A.110, 687A.115, 687C.010, 688C.230, 688C.480, 688C.490, 689A.696, 692A.117, 692C.190, 692C.3507, 692C.3536, 692C.3538, 692C.354, 692C.420, 693A.480, 693A.615, 696B.550, 696C.120, 703.196, 704B.320, 704B.325, 706.1725, 706A.230, 710.159, 711.600, ***and section 23 of this act,*** sections 35, 38 and 41 of chapter 478, Statutes of Nevada 2011 and section 2 of chapter 391, Statutes of Nevada 2013 and unless otherwise declared by law to be confidential, all public books and public records of a governmental entity must be open at all times during office hours to inspection by any person, and may be fully copied or an abstract or memorandum may be prepared from those public books and public records. Any such copies, abstracts or memoranda may be used to supply the general public with copies, abstracts or memoranda of the records or may be used in any other way to the advantage of the governmental entity or of the general public. This section does not supersede or in any manner affect the federal laws governing copyrights or enlarge, diminish or affect in any other manner the rights of a person in any written book or record which is copyrighted pursuant to federal law.

2. A governmental entity may not reject a book or record which is copyrighted solely because it is copyrighted.

3. A governmental entity that has legal custody or control of a public book or record shall not deny a request made pursuant to subsection 1 to inspect or copy or receive a copy of a public book or record on the basis that the requested public book or record contains information that is confidential if the governmental entity can redact, delete, conceal or separate the confidential information from the information included in the public book or record that is not otherwise confidential.

4. A person may request a copy of a public record in any medium in which the public record is readily available. An officer, employee or agent of a governmental entity who has legal custody or control of a public record:

(a) Shall not refuse to provide a copy of that public record in a readily available medium because the officer, employee or agent has already prepared or would prefer to provide the copy in a different medium.

(b) Except as otherwise provided in NRS 239.030, shall, upon request, prepare the copy of the public record and shall not require the person who has requested the copy to prepare the copy himself or herself.

Sec. 36. Chapter 628A of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 37. Chapter 645A of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 38. NRS 645B.015 is hereby amended to read as follows:

645B.015 Except as otherwise provided in NRS 645B.016, the Secure and Fair Enforcement for Mortgage Licensing Act of 2008, 12 U.S.C. §§ 5101 et seq., and any regulations adopted pursuant thereto and other applicable law, the provisions of this chapter do not apply to:

1. Any person doing business under the laws of this State, any other state or the United States relating to banks, savings banks, trust companies, savings and loan associations, industrial loan companies, credit unions, thrift companies or insurance companies, including, without limitation, a subsidiary or a holding company of such a bank, company, association or union.

2. A real estate investment trust, as defined in 26 U.S.C. § 856, unless the business conducted in this State is not subject to supervision by the regulatory authority of the other jurisdiction, in which case licensing pursuant to this chapter is required.

3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan's trustee.

4. An attorney at law rendering services in the performance of his or her duties as an attorney at law.

5. A real estate broker rendering services in the performance of his or her duties as a real estate broker.

6. Any person doing any act under an order of any court.

7. Any one natural person, or married couple, who provides money for investment in commercial loans secured by a lien on real property, on his or her own account, unless such a person makes a

loan secured by a lien on real property using his or her own money and assigns all or a part of his or her interest in the loan to another person, other than his or her spouse or child, within 3 years after the date on which the loan is made or the deed of trust is recorded, whichever occurs later.

8. A natural person who only offers or negotiates terms of a residential mortgage loan:

(a) With or on behalf of an immediate family member of the person;

(b) Secured by a dwelling that served as the person's residence; or

(c) If:

(1) The residential mortgage loan is for a manufactured home, as defined in NRS 118B.015;

(2) The residential mortgage loan is financed by the seller; and

(3) The seller has not engaged in more than five such loans in this State during the immediately preceding 12 consecutive months.

9. Agencies of the United States and of this State and its political subdivisions, including the Public Employees' Retirement System.

10. A seller of real property who offers credit secured by a mortgage of the property sold.

11. A nonprofit agency or organization:

(a) Which provides self-help housing for a borrower who has provided part of the labor to construct the dwelling securing the borrower's loan;

(b) Which does not charge or collect origination fees in connection with the origination of residential mortgage loans;

(c) Which only makes residential mortgage loans at an interest rate of 0 percent per annum;

(d) Whose volunteers, if any, do not receive compensation for their services in the construction of a dwelling;

(e) Which does not profit from the sale of a dwelling to a borrower; and

(f) Which maintains tax-exempt status under section 501(c)(3) of the Internal Revenue Code of 1986, 26 U.S.C. § 501(c)(3).

12. A housing counseling agency approved by the United States Department of Housing and Urban Development.

13. Except as otherwise required by the Attorney General pursuant to section 15 of this act, a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 39. Chapter 645F of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 40. Chapter 645G of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 41. Chapter 657 of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this title do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 42. Chapter 673 of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 43. NRS 675.040 is hereby amended to read as follows:

675.040 This chapter does not apply to:

1. Except as otherwise provided in NRS 675.035, a person doing business under the authority of any law of this State or of the United States relating to banks, national banking associations, savings banks, trust companies, savings and loan associations, credit unions, mortgage companies, thrift companies, pawnbrokers or insurance companies.

2. A real estate investment trust, as defined in 26 U.S.C. § 856.

3. An employee benefit plan, as defined in 29 U.S.C. § 1002(3), if the loan is made directly from money in the plan by the plan's trustee.

4. An attorney at law rendering services in the performance of his or her duties as an attorney at law if the loan is secured by real property.

5. A real estate broker rendering services in the performance of his or her duties as a real estate broker if the loan is secured by real property.

6. Except as otherwise provided in this subsection, any firm or corporation:

(a) Whose principal purpose or activity is lending money on real property which is secured by a mortgage;

(b) Approved by the Federal National Mortgage Association as a seller or servicer; and

(c) Approved by the Department of Housing and Urban Development and the Department of Veterans Affairs.

7. A person who provides money for investment in loans secured by a lien on real property, on his or her own account.

8. A seller of real property who offers credit secured by a mortgage of the property sold.

9. A person holding a nonrestricted state gaming license issued pursuant to the provisions of chapter 463 of NRS.

10. A person licensed to do business pursuant to chapter 604A of NRS with regard to those services regulated pursuant to chapter 604A of NRS.

11. A person who exclusively extends credit to any person who is not a resident of this State for any business, commercial or agricultural purpose that is located outside of this State.

12. Except as otherwise required by the Attorney General pursuant to section 15 of this act, a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 44. NRS 676A.270 is hereby amended to read as follows:

676A.270 1. This chapter does not apply to an agreement with an individual who the provider has no reason to know resides in this State at the time of the agreement.

2. This chapter does not apply to a provider to the extent that the provider:

(a) Provides or agrees to provide debt-management, educational or counseling services to an individual who the provider has no reason to know resides in this State at the time the provider agrees to provide the services; or

(b) Receives no compensation for debt-management services from or on behalf of the individuals to whom it provides the services or from their creditors.

3. This chapter does not apply to the following persons or their employees when the person or the employee is engaged in the regular course of the person's business or profession:

(a) A judicial officer, a person acting under an order of a court or an administrative agency or an assignee for the benefit of creditors;

(b) A bank;

(c) An affiliate, as defined in paragraph (a) of subsection 2 of NRS 676A.030, of a bank if the affiliate is regulated by a federal or state banking regulatory authority; or

(d) A title insurer, escrow company or other person that provides bill-paying services if the provision of debt-management services is incidental to the bill-paying services.

4. Except as otherwise required by the Attorney General pursuant to section 15 of this act, this chapter does not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 45. Chapter 677 of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 46. Chapter 678 of NRS is hereby amended by adding thereto a new section to read as follows:

Except as otherwise required by the Attorney General pursuant to section 15 of this act, the provisions of this chapter do not apply to a participant in the Regulatory Experimentation Program for Product Innovation established and administered pursuant to sections 2 to 31, inclusive, of this act.

Sec. 47. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

Sec. 48. This act becomes effective:

1. Upon passage and approval for the purpose of adopting any regulations and performing any other preparatory administrative tasks necessary to carry out the provisions of this act; and

2. On January 1, 2020, for all other purposes.