

STATE OF NEVADA

JOE LOMBARDO
Governor



DR. KRISTOPHER SANCHEZ
Director

SANDY O'LAUGHLIN
Commissioner

**DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION**

DATE: November 21, 2025
TO: Whom It May Concern
FROM: Mary Young
Deputy Commissioner

The State of Nevada, Department of Business and Industry, Financial Institutions Division is providing the enclosed Notice of Second Workshop to Solicit Comment on Proposed Regulations related to chapters 604A and 675 of the Nevada Administrative Code, which govern certain types of lenders.

The enclosed draft regulations are being proposed for permanent adoption. In order to review the proposed regulations and solicit comments from interested persons, a workshop will be held at **10:00 a.m. PST on Tuesday, December 16, 2025**, via Microsoft Teams conference and in-person at the Nevada State Business Center.

Enclosures:

Notice of Second Workshop and Workshop Agenda
Proposed Regulations
Small Business Impact Statement

NOTICE OF SECOND WORKSHOP
TO SOLICIT COMMENTS ON PROPOSED REGULATIONS PERTAINING TO
CHAPTERS 604A AND 675 AND WORKSHOP AGENDA

The State of Nevada, Financial Institutions Division (“Division”), 3300 W. Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, (702) 486-4120 is proposing the adoption of regulations for NAC chapters 604A and 675. This workshop will be conducted in accordance with NRS 233B.061 and the purpose is to solicit comments from interested persons on the proposed regulations to be held through videoconference, teleconference, and in-person:

Date: Tuesday, December 16, 2025

Time: 10:00 a.m. PST

To join by Microsoft Teams, click on the link below or visit www.microsoft.com/en-us/microsoft-teams/join-a-meeting and enter the information below:

[Join the meeting now](#)

Meeting ID: 273 657 098 095 4
Passcode: eT972yb9

To join by telephone:

Call: 1-775-321-6111
Phone ID: 178 375 514#

For those wishing to participate in-person, the following physical location is being made available:

Nevada State Business Center
Nevada Room, 4th Floor
3300 W. Sahara, Avenue
Las Vegas, Nevada 89102

Below is an agenda of all items scheduled to be considered. Persons who may be subject to the provisions of the new regulations should attend. At the discretion of the Commissioner, public comment may be limited to two minutes per person. Members of the public are encouraged to submit written comments for the record no later than **December 9, 2025**. Written comment can be submitted to the Division by email: fidmaster@fid.state.nv.us or by mail: 3300 W. Sahara Avenue, Suite 250, Las Vegas, Nevada 89102.

A copy of all materials relating to the proposal may be obtained by visiting the Division's website at: <http://fid.nv.gov> or by contacting the Division, 3300 W. Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, (702) 486-4120. Members of the public who would like additional information about a proposed regulations may contact Mary Young, Deputy Commissioner, at (702) 486-4120, or via e-mail to fidmaster@fid.state.nv.us.

The Division will make reasonable accommodations for attendees with disabilities. Please notify the Division of your request for reasonable accommodation in writing no later than five (5) working days before the workshop via email to fidmaster@fid.state.nv.us.

WORKSHOP AGENDA:

1. Open Workshop
2. Public Comment
3. Presentation of Proposed Regulations regarding NAC chapters 604A and 675 - **FOR DISCUSSION AND POSSIBLE ACTION**
4. Public Comment
5. Close Workshop

PROPOSED REGULATIONS:

See attached.

NOTICE OF THE WORKSHOP HAS BEEN PROVIDED AS FOLLOWS:

By email to all persons on the Division's email list for noticing of administrative regulations.

By email to all licensees under NRS chapters 604A and 675 and known contacts for these entities, including owners and officers of the businesses.

By email to chambers of commerce and trade associations likely to be affected by the proposed regulations.

Posted at the Division's principal office/in-person physical location- 3300 W. Sahara, Ave., Suite. 250, Las Vegas, Nevada 89102

Posted online to the Nevada Legislature website: <https://www.leg.state.nv.us/App/Notice/A/>

Posted online to the State of Nevada Public Notice website: <https://notice.nv.gov>

Posted online to the Division's website: <https://fid.nv.gov>

REVISED DRAFT PROPOSED REGULATION OF
THE COMMISSIONER OF THE FINANCIAL INSTITUTIONS DIVISION

LCB File No. R065-25

November 18, 2025

Purpose: To adopt regulations under the Nevada Administrative Code to support dual licensure under chapters 675 and 604A.

Authority: NRS 675.170, NRS 675.230, NRS 604A.300 and NRS 604A.655

Explanation: Material in *bold italics* is new language. All comments received from the first workshop were considered. Revisions made after considering comments from the first workshop are referenced in this draft as *italics* for added language and matters in ~~**{bold-brackets}**~~ is to be omitted from proposed regulation.

Section 1. Chapter 675 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 *and 3* of this regulation.

Sec. 2. *A person or entity licensed under this chapter may ~~{only}~~ conduct the business of making loans under this chapter in association or conjunction with the business of lending in this State under NRS Chapter 604A ~~{in the same location as it conducts the business of making loans under this chapter,}~~ subject to all of the following conditions:*

1. The licensee shall not conduct the business of making loans under this chapter within any office, suite, room or place of business in which the business of lending in this State under NRS Chapter 604A is solicited or engaged;

2. Any location at which the licensee solicits or engages in the business of lending in this State under NRS Chapter 604A must be located at least three miles from any location at which the licensee conducts the business of making loans under this chapter;

~~*{1-}*~~ *3. The licensee shall maintain a ~~{separate}~~ license to conduct business ~~{at that location}~~ under this chapter separate from any license to conduct business under NRS Chapter 604A. ~~{and NRS Chapter 675};~~*

~~*{2-}*~~ *4. The licensee shall not issue a loan under this chapter where any of the proceeds of the loan will be used to pay in full or in part a loan made by the licensee under NRS Chapter 604A;*

5. The licensee shall not issue a loan under NRS Chapter 604A where any of the proceeds of the loan will be used to pay in full or in part a loan made by the licensee under this chapter;

~~*{3-}*~~ *6. The licensee shall not issue a loan under this chapter to any person who, within the last three months, defaulted on a loan made by the licensee pursuant to NRS Chapter 604A or any obligation that originated with the licensee under NRS Chapter 604A;*

7. The licensee shall not issue a loan under this chapter to any person who has received a loan made pursuant to NRS Chapter 604A or any obligation that originated under NRS Chapter 604A if that loan or obligation was made by or originated with the licensee and has been assigned, placed, outsourced, sold, transferred, or otherwise conveyed to a collection agency within the last six months;

~~*{4-}*~~ *8. The licensee shall separately maintain any and all books, records, and data for NRS Chapter 604A loans and NRS Chapter 675 loans for purposes of examination by the Commissioner but ~~{will}~~ is not ~~{be}~~ required to purchase or maintain separate software platforms to maintain data separately.*

~~*{5-}*~~ *9. The licensee shall post in a conspicuous place in every location at which the licensee conducts business under ~~{his or her license}~~ this chapter the fees and rates it charges for its loan services offered under this chapter; ~~{and}~~*

10. The licensee shall post in a conspicuous place in every location at which the licensee conducts business under this chapter a notice that explains the borrower's rights and lender's remedies following a default for a loan or obligation under this chapter, and how those rights and remedies differ from the borrower's rights and lender's remedies following a default for a loan or obligation under NRS Chapter 604A, including that the lender cannot sue the borrower for loans made under NRS 604A.5057. The notice must be written, organized, and designed so that it is easy to read and understand; and

~~{6-}~~ 11. The licensee shall maintain specific and verifiable documentation of the loan proceeds at the time of loan disbursement.

Sec. 3. NAC 675.010 is hereby amended to read as follows:

1. ~~{No licensee may}~~ A licensee shall not advertise in any manner that may tend to confuse the identity of the licensee with any *related or* other unrelated licensee.
2. ~~{No licensee may}~~ A licensee shall not advertise in any manner that a loan of a prospective borrower with another licensee *or made by the licensee under a different license* will be paid *in full or in part* or increased if the loan is transferred to the advertising licensee.
3. No unethical advertising by licensees will be permitted and the Commissioner of Financial Institutions reserves the right to require all licensees to submit proposed advertising for approval before its dissemination through the press, by radio or television.

Sec. ~~{3-}~~ 4. Chapter 604A of NAC is hereby amended by adding thereto the provisions set forth as ~~{section 4}~~ *sections 4 through 16* of this regulation.

Sec. ~~{4-}~~ 5. A person or entity licensed under this chapter may ~~{only}~~ conduct the business of making loans under this chapter in association or conjunction with the business of lending in this State under NRS Chapter 675 ~~{in the same location as it conducts the business of making loans under this chapter,}~~ subject to all of the following conditions:

1. The licensee shall not conduct the business of making loans under this chapter within any office, suite, room or place of business in which the business of lending in this State under NRS Chapter 675 is solicited or engaged;
2. Any location at which the licensee solicits or engages in the business of lending in this State under NRS Chapter 675 must be located at least three miles from any location at which the licensee conducts the business of making loans under this chapter;
- ~~{1-}~~ 3. The licensee shall maintain a ~~{separate}~~ license to conduct business ~~{at that location}~~ under this chapter separate from any license to conduct business under ~~{NRS Chapter 604A, and}~~ NRS Chapter 675;
- ~~{2-}~~ 4. The licensee shall not issue a loan under this chapter where any of the proceeds of the loan will be used to pay in full or in part a loan made by the licensee under NRS Chapter 675;
- ~~{3-}~~ 5. The licensee shall not issue a loan under NRS Chapter 675 where any of the proceeds of the loan will be used to pay in full or in part a loan made by the licensee under this chapter;
6. The licensee shall not issue a loan under this chapter to any person who, within the last three months, defaulted on a loan made by the licensee pursuant to NRS Chapter 675 or any obligation that originated with the licensee under NRS Chapter 675;
7. The licensee shall not issue a loan under this chapter to any person who has received a loan made pursuant to NRS Chapter 675 or any obligation that originated under NRS Chapter 675 if that loan or obligation was made by or originated with the licensee and has been assigned, placed, outsourced, sold, transferred, or otherwise conveyed to a collection agency within the last six months;
- ~~{4-}~~ 8. The licensee shall separately maintain any and all books and records, and data for NRS Chapter 604A loans and NRS Chapter 675 for purposes of examination by the Commissioner, but ~~{will}~~ is not ~~{be}~~ required to purchase or maintain separate software platforms to maintain data separately.
- ~~{5-}~~ 9. The licensee shall post in a conspicuous place in every location at which the licensee conducts business under ~~{his or her license}~~ *this chapter* the fees and rates it charges for its loan services offered under this chapter ~~{and}~~

10. The licensee shall post in a conspicuous place in every location at which the licensee conducts business under this chapter a notice that explains the borrower's rights and lender's remedies following a default for a loan or obligation under this chapter, and how those rights and remedies differ from the borrower's rights and lender's remedies following a default for a loan or obligation under NRS Chapter 675, including that the lender cannot sue the borrower for loans made under NRS 604A.5057. The notice must be written, organized, and designed so that it is easy to read and understand; and
~~6-]~~ *11. The licensee shall maintain specific and verifiable documentation of the loan proceeds at the time of loan disbursement.*

Sec. 6. *At no time shall a licensee access the database for marketing purposes. The eligibility check must be initiated by a customer seeking to obtain a loan and for no other purpose.*

Sec. 7. NAC 604A.010 is hereby amended to read as follows:

1. The words and terms defined in [NRS 604A.015](#) to [604A.125](#), inclusive, have the meanings ascribed to them in those sections.
2. "License" means a license to operate a check-cashing service, deferred deposit loan service, ~~short-term loan service~~ **high-interest loan service** or title loan service pursuant to the provisions of this chapter and [chapter 604A](#) of NRS.

Sec. 8. NAC 604A.110 is hereby amended to read as follows:

A foreign corporation, association, trust or other business entity shall not operate a check-cashing service, deferred deposit loan service, ~~short-term loan service~~ **high-interest loan service** or title loan service in this State unless the foreign business entity:

1. Qualifies to do business in this State pursuant to [chapter 80](#) of NRS; and
2. Complies with the provisions of this chapter and [chapter 604A](#) of NRS.

Sec. 9. NAC 604A.130 is hereby amended to read as follows:

1. The notice required by paragraph (a) of subsection 1 of [NRS 604A.405](#) must:
 - (a) Comply with the applicable provisions of Regulation Z and the Truth in Lending Act.
 - (b) Set forth the actual fees charged for each service.
 - (c) Except as otherwise provided in subsection 2, be in substantially the following form:

NOTICE OF FEES CHARGED FOR SERVICES

Check-cashing fee.....	\$____.
Deferred deposit loan fee.....	\$____.
Short-term High-interest loan fee.....	\$____.
Title loan fee.....	\$____.

- (d) If printed, be in boldface type. Information that must be printed in all upper case letters must be printed in at least 18-point type. All other information must be printed in at least 16-point type.
- (e) If handwritten or displayed digitally or by other electronic means, be in characters that are equivalent in intensity, legibility and size to the characters required for printed matter.

2. A licensee shall not include in this notice a fee for any service that he or she is not licensed to provide.

Sec. 10. NAC 604A.150 is hereby amended to read as follows:

1. A licensee shall prominently display at each location where he or she does business a notice that sets forth the days of the week and the hours of the day that the location is open for business.
2. A customer who is entitled or required to perform an act within a prescribed period, including a customer entitled to rescind a loan pursuant to ~~NRS 604A.460~~ **NRS 604A.505, 604A.5023, 604A.5079**, may perform the act at any time before the close of business on the last day within the prescribed period. If

the last day is not a business day, or the location is not otherwise open for business on that day, the period during which the customer may perform the act is extended until the next business day at that location.

3. If a licensee closes a business location earlier than the time of day set forth in the licensee's notice, the period during which the customer may perform the act is extended until the close of business on the next business day on which the location remains open for business until the time set forth in the notice.

4. For the purposes of this section, the business day of a location that is open for business after midnight shall be deemed to end at midnight.

Sec. 11. NAC 604A.160 is hereby amended to read as follows:

1. A licensee who uses a form or standard loan agreement written in Spanish as required by ~~NRS 604A.410~~ **NRS 604A.504, 604A.5012, 604A.5067**, notice of opportunity to enter into a repayment plan written in Spanish as required by ~~NRS 604A.475~~ **NRS 604A.5027, 604A.5055, 604A.5083**, or other form or standard document written in a language other than English shall cause the document to be translated into English and maintain together a copy of the document and its English translation.

2. A document translated pursuant to this section must be:

(a) Translated by an interpreter who is:

(1) Certified by the Court Administrator in accordance with the provisions of **NRS 1.510** and regulations adopted pursuant thereto; or

(2) Approved in writing by the Division.

(b) Accompanied by a certificate issued by the interpreter. The certificate must:

(1) Declare that the translated document is a true and complete translation of the document written in the language other than English;

(2) Identify the document written in a language other than English and its English translation;

(3) Include the date of translation; and

(4) Include the name, address, telephone number and electronic mail address, if any, of the interpreter.

3. The Commissioner may require a licensee to provide a translation of any nonstandard document that is written in a language other than English.

4. The Commissioner may assess a licensee for all costs incurred by the Commissioner to verify the licensee's compliance with this section.

Sec. 12. NAC 604A.170 is hereby amended to read as follows:

1. A licensee who is required to provide a customer with written notice of the opportunity to enter into a repayment plan pursuant to ~~NRS 604A.475~~ **NRS 604A.5027, 604A.5055, 604A.5083** ~~may~~ **shall** deliver the written notice to the customer using any method of delivery that generates a record of the delivery.

2. A person who delivers a notice to a customer in person must execute an affidavit of delivery.

Sec. 13. NAC 604A.180 is hereby amended to read as follows:

1. A licensee shall maintain written documentation to establish that, except as otherwise provided in ~~NRS 604A.425 and 604A.430~~ **NRS 604A.5017, 604A.5045, 604A.5018 and 604A.5046**, the licensee has not made a:

(a) Deferred deposit loan that exceeds 25 percent of the expected gross monthly income of the customer when the loan is made; or

(b) ~~Short-term~~ **High-interest** loan that, under the terms of the loan agreement, requires any monthly payment that exceeds 25 percent of the expected gross monthly income of the customer.

2. A licensee shall maintain separate written documentation for each deferred deposit loan or ~~short-term~~ **high-interest** loan the licensee makes to a customer.

3. A licensee who fails to provide the Commissioner with the documentation required by this section is presumed to have violated **NRS 604A.5017 and NRS 604A.5045.** ~~NRS 604A.425.~~

Sec. 14. NAC 604A.190 is hereby amended to read as follows:

1. A copy of each receipt given by a licensee to a customer pursuant to ~~NRS 604A.460 to 604A.475~~ **NRS 604A.5023, 604A.505, 604A.5079, 604A.5052, 604A.508, 604A.5024, 604A.5053, 604A.5081,**

604A.5025, 604A.5027, 604A.5055, 604A.5083, inclusive, and ~~604A.495.~~ 604A.5033, 604A.5063, 604A.5088.

2. A record of each event that increases or decreases a customer's indebtedness to the licensee. The record must include sufficient information to enable the Commissioner to reconcile the amount of the customer's beginning balance with his or her ending or outstanding balance.

Sec. 15. NAC 604A.210 is hereby amended to read as follows:

A licensee shall not advertise in any manner that:

1. May tend to confuse the identity of the licensee with any *related or* other unrelated licensee.
2. States or implies that a loan of a prospective borrower with another licensee *or made by the licensee under a different license* will be paid *in full or in part* or increased if the loan is transferred to the advertising licensee.

3. No unethical advertising by licensees will be permitted and the Commissioner of Financial Institutions reserves the right to require all licensees to submit proposed advertising for approval before its dissemination through the press, by radio or television.

Sec. 16. NAC 604A.220 is hereby amended to read as follows:

A licensee who accepts a check as security for a ~~short-term~~ *high-interest* loan or title loan violates ~~NRS 604A.435~~ *NRS 604A.502, 604A.5048, 604A.5071* even if:

1. The check is not negotiable; or
2. The licensee does not negotiate the check.

**SMALL BUSINESS IMPACT STATEMENT FOR PROPOSED REGULATIONS BY
THE FINANCIAL INSTITUTIONS DIVISION (Division)
Chapters 604A and 675 Lenders
September 18, 2025**

1. Small Business Impact Statement pursuant to NRS 233B.0609:

(a) A description of the manner in which comment was solicited from affected small businesses, a summary of their responses, and an explanation of the manner in which other interested persons may obtain a copy of the summary.

(I) Solicitation of affected small businesses.

The Division sought public comments in accordance with NRS 233B.0608 to evaluate whether the proposed regulations may impose a direct and significant economic burden on small businesses (defined as those with fewer than 150 employees), or whether the regulations may directly restrict the formation, operation, or expansion of small businesses seeking to engage in or who desire to engage in lending activities under NRS chapters 604A and 675. This evaluation is intended to ensure the establishment of an adequate, efficient and competitive service that is accessible to the general public within this state.

The Division composed the solicitation list from current licensees under NRS chapter 604A and chapter 675 and all known interested parties, including those individuals on the Division's list for noticing of administrative regulations. The Division then emailed to all person on the solicitation list a notice and questionnaire. The Division sent out 167 small business questionnaires to all known interested persons. Additionally, a copy of the full text of the proposed regulations was emailed and posted to the Division's website. The solicited comments were used to formulate this Small Business Impact Statement.

(II) Summary of responses.

The Division received a total of seven (7) responses to the solicitation. Three (3) responses provided no comment because the responders were over the small business threshold of 150 employees. Of the remaining four (4) responses, two (2) small businesses provided comment and the other two (2) responded with N/A or no impact. See the attached spreadsheet.

(III) Obtain a copy of the summary.

This Small Business Impact Statement was posted on the Division's website on September 25, 2025, 2025, along with a Notice of Workshop for October 14, 2025. Interested persons may also obtain a copy of the Small Business Impact Statement by contacting the:

**Office of the Commissioner
Financial Institutions Division
3300 W. Sahara Avenue, Suite 250
Las Vegas, NV 89102
Email: FIDMaster@fid.state.nv.us
Telephone: (702) 486-4120
Website: <http://fid.nv.gov>**

(b) The total number of small businesses likely to be affected by the proposed regulation.

The proposed regulations are not likely to impose a direct and significant economic burden on any small business or directly restrict the formation, operation or expansion of any small business.

(c) A list of the chambers of commerce and trade associations notified of the proposed regulation pursuant to NRS 233B.0608.

As amended during the 83rd Regular Session of the Nevada Legislature by Assembly Bill 444, NRS 233B.0608 requires notification to certain chambers of commerce and trade associations only if the Division determines a proposed regulation is likely to impose a direct and significant economic burden on a small business or directly restrict the formation, operation or expansion of a small business. As stated above, the proposed regulations are not likely to affect small businesses. Additionally, the provisions of A.B. 444 do not become effective until October 1, 2025.

The Division has provided the following chambers of commerce and trade associations with notice of the time and place set for the workshop:

Chambers of Commerce:

- African Chamber of Commerce and Tourism
- America Asia Economic Alliance
- Armed Forces Chamber of Commerce
- Asian American & Pacific Islander Chamber of Commerce
- Austin Nevada Chamber of Commerce
- Battle Mountain Chamber of Commerce
- Beatty Chamber of Commerce
- Boulder City Chamber of Commerce
- Caliente Chamber of Commerce
- Carson City Chamber of Commerce
- Carson Valley Chamber of Commerce
- Clark County Chamber of Commerce
- Colombian Chamber of Commerce
- Dayton Area Chamber of Commerce
- Elko Area Chamber of Commerce
- Ely Chamber of Commerce
- Eureka Chamber of Commerce
- Fallon Chamber of Commerce
- Fernley Chamber of Commerce
- Filipino American Chamber of Commerce of Greater Nevada
- Gay & Lesbian Chamber of Commerce Nevada
- Goldfield Chamber of Commerce
- Greater Las Vegas Black Chamber of Commerce
- Henderson Black Chamber of Commerce
- Henderson Chamber of Commerce
- Humboldt County Chamber of Commerce
- Incline Village Chamber of Commerce (North Lake Tahoe Chamber of Commerce)
- Indian Chamber of Commerce
- International Chamber of Commerce of Nevada
- Japanese Chamber of Commerce of Nevada
- Korean American Chamber of Commerce Las Vegas

- Lake Tahoe South Shore Chamber of Commerce
- Lambda: The LGBTQ Chamber of Commerce of Southern Nevada
- Las Vegas Asian Chamber of Commerce
- Las Vegas Global Economic Alliance (LVGEA)
- Las Vegas India Chamber of Commerce
- Las Vegas Latin Chamber of Commerce
- Las Vegas Metro Chamber of Commerce
- Las Vegas Urban Chamber of Commerce
- Las Vegas Ward 5 Chamber of Commerce
- Latin Chamber of Commerce Nevada
- Laughlin Chamber of Commerce
- Lovelock/Pershing County Chamber of Commerce
- Mason Valley Chamber of Commerce
- Mesquite Area Chamber of Commerce
- Mineral County Chamber of Commerce
- Moapa Valley Chamber of Commerce
- Native American Chamber of Commerce of Nevada
- Nevada Association of Employers
- Nevada Black Chamber of Commerce
- Nevada Business Opportunity Fund
- Nevada Cannabis Chamber of Commerce
- Nevada Economic Development Association (NEDA)
- Nevada Filipino American Chamber of Commerce
- Nevada Hispanic Business Group
- Nevada Indian Territory (Tourism & Tribal Business Org)
- Nevada LGBTQ+ Chamber of Commerce
- Nevada Main Street (Governor's Office of Economic Development)
- Nevada Small Business Council
- Nevada State Development Corporation
- Nevada Veterans Chamber of Commerce
- Nevada Women's Business Center
- North Las Vegas Chamber of Commerce
- Pahrump Valley Chamber of Commerce
- Peruvian Chamber of Commerce
- Philippine-American Chamber of Commerce of Southern Nevada
- Pioche Chamber of Commerce
- Reno + Sparks Chamber of Commerce
- Russian American Chamber of Commerce
- Silver Springs Area Chamber of Commerce
- Sin City Chamber of Commerce
- South Vegas Chamber of Commerce
- Southern Nevada Veterans Chamber of Commerce
- Sparks Chamber of Commerce
- Tahoe Chamber
- Tonopah Chamber of Commerce
- Tonopah Main Street
- Truckee Donner Chamber of Commerce
- Urban Chamber of Commerce
- Virginia City Chamber of Commerce
- Water Street District Business Association
- Wells Chamber of Commerce

- Western Nevada Development District (WNDD)
- White Pine Chamber of Commerce
- Winnemucca Chamber of Commerce
- Women's Chamber of Commerce of Nevada
- Yerington Chamber of Commerce

Trade Associations:

- American Financial Services Association (AFSA)
- Community Financial Services Association of America (CFSA)
- Online Lenders Alliance (OLA)

(d) The manner in which the analysis was conducted.

Pursuant to NRS 233B.0608(1), the Division made a concerted effort to determine whether the proposed regulations are likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business. For this effort, the Division sent a copy of the draft regulations and a Small Business Impact Questionnaire to all known interested persons for review and invited written comment regarding the impact of the proposed regulations, after which the Division took all comments submitted into consideration.

Following review and analysis of written comment from the industry, the Division has determined that the proposed regulation is unlikely to impose a direct and significant economic burden upon any small business; result in any direct or indirect adverse effects on small business; or directly restrict the formation, operation, or expansion of a small business.

(e) The estimated economic effect of the proposed regulation on the small businesses which it is to regulate including, without limitation:

(1) Both Adverse and Beneficial effects:

(I) ADVERSE EFFECTS:

The Division received two comments concerning the requirement to post the fees and rates. One commenter asserted that the requirement is impractical and therefore burdensome. However, this requirement already exists under current NRS and NAC Chapter 604A, and the Division is merely extending it to Chapter 675. Licensees may post a range of fees and rates, provided they disclose the Annual Percentage Rate (APR) will not exceed 40% for loans under chapter 675.

Another commenter believes the posting of fees and rates will confuse in-office borrowers from their purchased retail installment contract borrowers since the auto dealers determine the APR. This should not impact indirect lending business, as the borrower is not originating the loan in-person at the licensed location; therefore, no confusion would exist. For direct/in-office lending, a range of the rates will suffice, disclosing the max APR of 40% for NRS 675 loans.

The Division does not consider this provision to impose an adverse effect on small business.

(II) BENEFICIAL EFFECTS:

The Division received one general comment. The commenter stated "All the proposed regulations may have a direct or indirect impact both adverse and beneficial effects. The less regulations the better. We're still recovering from the database regulation and business has

dropped significantly. Small businesses really feel regulations either timewise or customer-wise/financially.”

The response was directed to all regulations and not to one specific section of the proposed regulations. Therefore, the Division cannot provide a clear response.

(2) Both Direct and Indirect effects:

(I) DIRECT EFFECTS:

The Division received two comments concerning the requirement to post the fees and rates. One commenter asserted that the requirement is impractical and therefore burdensome. However, this requirement already exists under current NRS and NAC chapter 604A, and the Division is merely extending it to NAC chapter 675. Licensees may post a range of fees and rates, provided they disclose the Annual Percentage Rate (APR) will not exceed 40% for loans under chapter 675.

The Division does not consider this provision to impose an adverse economic effect on small business, direct or indirect.

The Division received one general comment. The commenter stated “All the proposed regulations may have a direct or indirect impact both adverse and beneficial effects. The less regulations the better. We're still recovering from the database regulation and business has dropped significantly. Small businesses really feel regulations either timewise or customer-wise/financially.”

The response was directed to all regulations and not to one specific section of the proposed regulation. Therefore, the Division cannot provide a clear response.

(II) INDIRECT EFFECTS:

Another commenter believes the posting of fees and rates will confuse in-office borrowers from their purchased retail installment contract borrowers since the auto dealers determine the APR. This should not impact indirect lending business, as the borrower is not originating the loan in-person at the licensed location, therefore no confusion would exist. For direct/in-office lending, a range of the rates will suffice, disclosing the max APR of 40% for NRS 675 loans.

The Division does not consider this provision to impose an adverse effect on small business, direct or indirect.

The Division received one general comment. The commenter stated “All the proposed regulations may have a direct or indirect impact both adverse and beneficial effects. The less regulations the better. We're still recovering from the database regulation and business has dropped significantly. Small businesses really feel regulations either timewise or customer-wise/financially.”

The response was directed to all regulations and not to one specific section of the proposed regulation. Therefore, NFID cannot provide a direct answer.

(f) A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of those methods.

The Division sent out 167 small business questionnaires to all known interested persons. It received a total of seven (7) responses to the solicitation. Two (2) small businesses provided comment, two (2) responded with N/A or no impact, and three (3) responded with no comment because they were over the small business threshold of 150 employees. The Division has considered and analyzed all submitted comments and addressed those comment in the attached spreadsheet.

(g) The estimated cost to the agency for enforcement of the proposed regulation.

The Division does not foresee any additional costs or fees associated with the proposed regulations.

(h) If the proposed regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect, and the manner in which the money will be used.

The proposed regulations do not provide for a new fee or increase to an existing fee.

(i) If the proposed regulation includes provisions which duplicate or are more stringent than federal, state, or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.

To the Division's knowledge, the proposed regulations do not duplicate and are not more stringent than any existing federal, state, or local standards regulating the same activity.

(j) The reasons for the conclusions of the agency regarding the impact of the regulation on small businesses.

The proposed regulation introduces minimal additional requirements and does not impose any additional costs. As such, it does not create an economic burden to small business.

To the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in this Small Business Impact Statement was prepared properly and accurate.



Sandy O'Laughlin
Commissioner
Financial Institutions Division
State of Nevada, Department of Business and Industry

<u>NRS 675/604A- Dual Licensure</u>	<u>Number/ and %</u>	<u>Direct or Indirect</u>	<u>Adverse or Beneficial</u>	<u>NFID Answer/Mitigation</u>
Section 2, subsection 5-fees and rates posting. Rates are determined by credit and ability to pay. Unless a licensee may post a range of rates (e.g. __% to __%APR), this requirement is impractical and therefore burdensome.	1 (22.2%)	Direct	Adverse	A range of the rates will suffice, disclosing the max APR of 40% for NRS 675 loans.
Section 2, subsection 5-fees and rates posting. The posting of rates for Chapter 675 loans will confuse in-office borrowers from our purchased retail installment contracts since it is the dealers who determine the APR of the retail installment contract.	1 (11.1%)	Indirect	Adverse	This should not impact indirect lending business, as the borrower is not originating the loan in-person at the licensed location, therefore no confusion would exist. For direct/in-office lending, a range of the rates will suffice, disclosing the max APR of 40% for NRS 675 loans.
All the proposed regulations may have a direct or indirect impact both adverse and beneficial effects. Comment provided: The less regulations the better. We're still recovering from the database regulation and business has dropped significantly. Small businesses really feel regulations either timewise or customer-wise/financially.	1 (22.2%)	Direct	Beneficial	The response was directed to all regulations and not to one specific section of the proposed regulation. Therefore, NFID cannot provide an answer.
All the proposed regulations may have a direct or indirect impact both adverse and beneficial effects. Comment provided: The less regulations the better. We're still recovering from the database regulation and business has dropped significantly. Small businesses really feel regulations either timewise or customer-wise/financially.	1 (11.1%)	Direct	Adverse	The response was directed to all regulations and not to one specific section of the proposed regulation. Therefore, NFID cannot provide an answer.
All the proposed regulations may have a direct or indirect impact both adverse and beneficial effects. Comment provided: The less regulations the better. We're still recovering from the database regulation and business has dropped significantly. Small businesses really feel regulations either timewise or customer-wise/financially.	1 (33.3%)	Indirect	Beneficial	The response was directed to all regulations and not to one specific section of the proposed regulation. Therefore, NFID cannot provide an answer.

All the proposed regulations may have a direct or indirect impact both adverse and beneficial effects. Comment provided: The less regulations the better. We're still recovering from the database regulation and business has dropped significantly. Small businesses really feel regulations either timewise or customer-wise/financially.	1 (11.1%)	Indirect	Adverse	The response was directed to all regulations and not to one specific section of the proposed regulation. Therefore, NFID cannot provide an answer.
<u>SBI Response Summary:</u> Total Known Interested Parties Solicited: 167 Total Responded with Comments: 2 Total Responded with N/A: 2 Total Responded with over 150 Employees (outside the small business threshold): 3 Total Comments Impacting the SBI % (Total Known Interested Parties Solicited - N/A - over 150 Employees=): 162 % Responded/Total Solicited (7/167): 4.2% % Responded with Comments/Total Comments Impacting SBI (2/162): 1.2%				