

STATE OF NEVADA



DEPARTMENT OF BUSINESS AND INDUSTRY
FINANCIAL INSTITUTIONS DIVISION

**NOTICE OF INTENT TO ACT UPON A REGULATION
AND HEARING AGENDA**

Notice of Hearing for the Adoption of Regulations

The State of Nevada, Department of Business and Industry, Financial Institutions Division (“Division”) will hold a public hearing on Thursday, **January 25, 2024, at 1:00 p.m.** via Webex conference and in-person. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of permanent regulations that pertain to Chapter 649 of the Nevada Administrative Code (“NAC”).

Date: January 25, 2024

Time: 1:00 p.m. PST

To join by Webex, join the Webex meeting by clicking on the link below:

<https://businessnv2.webex.com/businessnv2/j.php?MTID=m7e0d962c7360aeaf7b4ac3bcc08f7f20>

Meeting number (access code): 2480 650 0932

Meeting password: SB276AH

To join by telephone, call the toll-free number:

1-844-621-3956 United States Toll-Free

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

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

The purpose of this public hearing is to receive final comments from all interested persons regarding this permanent regulation and the adoption of Chapter 649 of the Nevada Administrative Code (“NAC”), LCB File No. R097-23, dated December 21, 2023.

The following information is provided pursuant to the requirements of the Nevada Revised Statutes (“NRS”) 233B.0603:

LCB File No. R097-23

A regulation relating to collection agencies; defining certain terms relating to collection agencies, setting forth certain requirements for the sharing of a license of a collection agency; requiring a collection agency to provide the Division of Financial Institutions of the Department of Business Industry with certain information; revising certain fees related to collection agencies; revising certain requirements relating to the location of a collection agency; revising certain provisions relating to a compliance manager of a collection agency; repealing provisions governing foreign collection agencies and branch offices; making various other changes related to collection agencies; and providing other matters properly relating thereto.

1. Need for and purpose of the proposed regulation:

The regulation is required as a result of the passage of Senate Bill 276 (“S.B. 276”) during the 82nd Session of the Nevada Legislature. Existing law governs collection agencies and authorizes the Commissioner of the Financial Institutions to adopt regulations for the administration and enforcement of existing law.

This regulation is needed for the Division to administer, carry out and enforce the provisions of S.B.276.

2. Description of proposed regulation and the manner in which approved or revised text of the proposed regulation prepared by the Legislative Counsel Bureau (“LCB”) may be obtained.

The regulation proposed for adoption is stated in the attached Proposed Regulation of the Commissioner of the Financial Institutions Division, LCB File No. R097-23. This includes:

- This includes defining the terms “affiliate”, “Division”, and “Principal place of business”.
- Establishing certain requirements for remote collection agents.
- Establishing requirements for affiliated passive debt buyers to share a license.
- Repealing sections of current regulation that are no longer required pursuant to S.B.276.
- Other matters properly related thereto.

Access to the approved or revised text of the proposed regulation prepared by the LCB pursuant to NRS 233B.063 may be obtained by visiting the website of the Nevada Legislature at <http://www.leg.state.nv.us>, click “Register of Administrative Regulations” on the right-hand side of the home page, click “Numerical Index” appearing under the category “2023 Regulations.” Access may then be obtained by scrolling down the list of LCB File Numbers to seek “R097-23” or by performing a search function specifying LCB File Number “R097-23” and clicking upon the item(s).

3. Statement of estimated economic effect of the proposed regulation on the business of financial product or service providers and upon the public.

The estimated economic effect of the proposed regulation on the business which it is to regulate:

a. Adverse effect:

- i. Immediate effect- The industry's biggest concern was the increase in licensing, certificates, and application fees. Even though the increase was minimal and not increased since the current regulation was adopted in 2006, the Division removed the increase for collection agencies and reduced the increase for the compliance managers.

Some comments were toward clarifying language for current statutory language or regulation, and some were more directed towards S.B.276 and not the proposed regulations.

- ii. Long-term effect- The industry's biggest concern was the increase in licensing, certificates, and application fees. Even though the increase was minimal and not increased since the current regulation was adopted in 2006, the Division removed the increase for collection agencies and reduced the increase for the compliance managers.

Some comments were toward clarifying language for current statutory language or regulation, and some were more directed towards S.B.276 and not the proposed regulations.

b. Beneficial effect:

- i. Immediate effect- The industry is in favor of removing the need to license each branch location and a license required for the main location. The other comments were more directed towards S.B. 276 and not the proposed regulations.
- ii. Long-term effect- The industry is in favor of removing the need to license each branch location and a license required for the main location. The other comments were more directed towards S.B. 276 and not the proposed regulations.

The Division has determined that the proposed regulation does not have an adverse economic impact on small business.

4. Statement identifying the methodology used by the Division in determining the impact of the proposed regulation upon a small business.

The Division reviewed the proposed regulation and preliminarily determined that it will not impose a direct and significant economic burden upon a small business, or directly restrict the formation,

operation or expansion of a small business, because the proposed regulation does not require additional expense for the licensee to operate.

The Division vetted this preliminary determination by soliciting comments on the issue as part of the small business impact questionnaire and of its notice of workshop for the proposed regulation and in its e-mail notification to current licensees under the impacted chapter of the NRS, as well as the Division's regulatory action contact list. Additionally, the notice of workshop and small business impact statement was posted on the Division's website, the State's official website, the Nevada Legislature's website and at the public location of the Division's office in Las Vegas. Following the conducted workshop and consideration of the comments received during the workshop and comments from nine (9) entities who responded to the small business impact questionnaire, the Commissioner concluded that the proposed regulation does not impose a significant and direct burden upon a small business or restrict the formation, operation, or expansion of a small business.

5. The estimated cost to the agency for enforcement of the proposed regulation.

The estimated cost to the Division for enforcement of the proposed regulation should be covered by the proposed fees to be collected by the Division. The Division does not foresee the need for any additional funding or budget increase.

6. Overlap or duplication with other state, local governmental or federal agencies.

To our knowledge, the proposed regulation does not duplicate any existing federal, state, or local standards regulating the same activity.

7. Existence of federal law requirement for proposed regulation or whether proposed regulation includes more stringent provisions than required by federal regulation governing same activity

The proposed regulation does not duplicate any existing federal, state, or local standards regulating the same activity.

8. Establishment of new fee or increase to existing fee.

The Division is proposing a minimal increase in the compliance manager's application and certificate fees, within the allowable amount per statute.

The 1st Year → \$46,090 (Based on the compliance manager initial application, investigation and certificate fee of \$475 fee for 40 new compliance managers and a certificate renewal fee of \$35 for 774 current certificate holders).

The 2nd Year → \$28,498 (Based on yearly renewal fee of \$35 for excepted 814 certificate holders).

The fees collected will be used by the Division to regulate the industry at the most economical method possible with the Division's established objective to maintain fees at a level to cover agency costs to implement/operate/enforce and not to over burden small business with high and unnecessary fees.

COMMENTS AND WRITTEN SUBMISSIONS

Persons wishing to comment upon the proposed action of the Financial Institutions Division may appear at the scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Financial Institutions Division at fidmaster@fid.state.nv.us or at 3300 West Sahara Avenue, Suite 250, Las Vegas, Nevada, 89102. Written submissions must be received by the Division on or before **January 17, 2024**. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Financial Institutions Division may proceed immediately to act upon any written submissions.

COPIES OF PROPOSED REGULATION

A copy of this notice and the proposed regulation to be adopted will be on file at the Nevada State Library & Archives, 100 N. Stewart Street, Carson City, Nevada, 89701, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation to be adopted will be available at the Division's website at www.fid.nv.gov

This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us>. Copies of this notice and the proposed regulation will also be mailed or emailed to members of the public upon request. A reasonable fee may be charged for copying.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Division of your request for reasonable accommodation as far in advance as possible via email fidmaster@fid.state.nv.us

Note that NRS 233B.064(2) provides as follows:

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This Hearing Notice has been sent to all interested persons on the Division's mailing list for administrative regulations and posted at the following locations:

Posted at the Division's principal office/in-person physical location- 3300 W. Sahara, Ave., 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>

**NOTICE OF PUBLIC MEETING
TO CONDUCT A HEARING FOR ADOPTION
OF REGULATIONS OF THE COMMISSIONER OF THE FINANCIAL
INSTITUTIONS DIVISION
LCB FILE No. R097-23
AND
MEETING 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 to Chapter 649 of the Nevada Administrative Code (“NAC”). The proposed regulations are required as a result of the passage of Senate Bill 276 (“S.B. 276”) during the 82nd Session of the Nevada Legislature. Existing law governs collection agencies and authorizes the Commissioner of the Financial Institutions to adopt regulations for the administration and enforcement of existing law. A public meeting on this matter has been set for Thursday, **January 25, 2024, at 1:00 p.m.**, via Webex conference and in-person.

Date: January 25, 2024

Time: 1:00 p.m. PST

To join by Webex, join the Webex meeting by clicking on the link below:

<https://businessnv2.webex.com/businessnv2/j.php?MTID=m7e0d962c7360aeaf7b4ac3bcc08f7f20>

Meeting number (access code): 2480 650 0932

Meeting password: SB276AH

To join by telephone, call the toll-free number:

1-844-621-3956 United States Toll-Free

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

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

The purpose of the meeting is to conduct a hearing of all interested persons regarding the following proposed regulation and for the Division to take possible action on the regulation's adoption. Please submit any written comments no later than **January 17, 2024**.

LCB File No. R097-23

A regulation relating to collection agencies; defining certain terms relating to collection agencies, setting forth certain requirements for the sharing of a license of a collection agency; requiring a collection agency to provide the Division of Financial Institutions of the Department of Business Industry with certain information; revising certain fees related to collection agencies; revising certain requirements relating to the location of a collection agency; revising certain provisions relating to a compliance manager of a collection agency; repealing provisions governing foreign collection agencies and branch offices; making various other changes related to collection agencies; and providing other matters properly relating thereto.

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

Notice of the meeting was provided via electronic means to all persons on the e-mail lists for noticing of administrative regulations maintained by the Division and licensees this regulation affects. This *Notice of Public Meeting* was posted to the agency's website at [Proposed Regulations \(nv.gov\)/](http://ProposedRegulations.nv.gov/), the Nevada Legislature's website at <http://www.leg.state.nv.us>.

HEARING AGENDA

The State of Nevada, Department of Business and Industry, Financial Institutions Division
January 25, 2024 • 1:00 p.m.

The purpose of this public hearing is to receive final comments from all interested persons regarding this permanent regulation pertaining to Chapter 649 of the Nevada Administrative Code (“NAC”). LCB File No. R097-23, dated December 21, 2023.

1. Open Hearing: R097-23.
2. Public comment.
3. Presentation and Discussion of Proposed Regulation. (For Possible Action)

LCB File No. R097-23- NAC chapters 649

4. Adoption of Proposed Regulation R097-23 (For Possible Action)
5. Public Comment.
6. Close Hearing: R097-23. (Adjournment)

Supporting public material for this workshop may be requested from Mary Young, Deputy Commissioner, Financial Institutions Division, 3300 W. Sahara Avenue, Suite 250, Las Vegas, Nevada 89102, (702) 486-4120 or fidmaster@fid.state.nv.us

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; items may be pulled or removed from the agenda at any time; and discussion relating to an item may be delayed or continued at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public comment may be limited to three minutes per speaker. Members of the public are encouraged to submit written comments for the record.

**PROPOSED REGULATION OF THE COMMISSIONER
OF FINANCIAL INSTITUTIONS LCB File No. R097-23**

December 21, 2023

EXPLANATION – Matter in *italics* is new; matter in brackets ~~omitted material~~ is material to be omitted.

AUTHORITY: §§ 1-5, 10-12 and 22-24, NRS 649.053; §§ 6-8, 14, 17-21 and 26, NRS 649.053 and 649.056; § 9, NRS 649.053 and 649.205, as amended by section 26.5 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3599; § 13, NRS 649.053, 649.295, as amended by section 29 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3599, and 658.101; § 15, NRS 649.053 and NRS 649.295, as amended by section 29 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3599; § 16, NRS 649.053, 649.205, as amended by section 26.5 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3599, and NRS 649.295, as amended by section 29 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3599; § 25, NRS 649.053 and 649.297.

A REGULATION relating to collection agencies; defining certain terms relating to collection agencies, setting forth certain requirements for the sharing of a license of a collection agency; requiring a collection agency to provide the Division of Financial Institutions of the Department of Business Industry with certain information; revising certain fees related to collection agencies; revising certain requirements relating to the location of a collection agency; revising certain provisions relating to a compliance manager of a collection agency; repealing provisions governing foreign collection agencies and branch offices; making various other changes related to collection agencies; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law provides for the licensure and regulation of collection agencies and collection agents. (Chapter 649 of NRS) Senate Bill No. 276 (S.B. 276) of the 2023 Legislative Session made various changes relating to the licensure and regulation of collection agencies and collection agents. (Chapter 534, Statutes of Nevada 2023, at page 3586) This regulation makes various changes to the Nevada Administrative Code for consistency with S.B. 276. Existing law requires a collection agency to display certain information related to the collection agency and the compliance manager of the collection agency on any Internet website maintained by the collection agency. (Section 6 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589) **Section 5** of this regulation provides that to satisfy this requirement, a collection agency must display the information on the home page of its Internet website or another page of its Internet website that is clearly and conspicuously accessible from the home page.

Existing law defines “debt buyer” as a person who is regularly engaged in the business of purchasing claims that have been charged off for the purpose of collecting such claims, including, without limitation, by personally collecting claims, hiring a third party to collect claims or hiring an attorney to engage in litigation for the purpose of collecting claims. (Section 3 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589) Existing law also authorizes a debt

buyer to share a single license as a collection agency with a person affiliated with the debt buyer if the affiliated person does not engage in any collection activities other than purchasing claims. (NRS 649.075, as amended by section 18 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3594) **Section 6** of this regulation provides that: (1) the Division of Financial Institutions of the Department of Business and Industry must approve adding each such affiliated person to a single license; (2) the debt buyer is liable and responsible for any action of any such affiliated person who violates the provisions of law relating to collection agencies and collection agents; and (3) a debt buyer who shares a single license is required to submit certain information to the Commissioner of Financial Institutions upon request. **Section 2** of this regulation defines the term “affiliate.” **Section 3** of this regulation defines “Division” to mean the Division of Financial Institutions of the Department of Business and Industry.

Existing law establishes certain requirements governing collection agents who work from remote locations. (Sections 7-10 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at pages 3589-91) **Section 7** of this regulation prohibits a collection agent from working at a remote location that is outside of the United States. **Section 8** of this regulation requires a collection agency to provide the Commissioner, upon request, with: (1) certain information relating to collection agents who work from remote locations; (2) any recording of telephone calls performed by any collection agent conducting collection activities, regardless of whether the collection agent works from a remote collection; and (3) certain policies and procedures adopted by the collection agency.

Existing law requires the Commissioner to waive a compliance manager’s examination if the applicant for a compliance manager’s certificate and the collection agency that employs or seeks to employ the applicant are both certified by a national association that is a nonprofit with expertise in the business of collections which the Commissioner determines proves the competence of the applicant. (NRS 649.205, as amended by section 26.5 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3599) **Section 9** of this regulation requires the applicant to submit proof satisfactory to the Commissioner of such fact.

Section 10 of this regulation authorizes the Commissioner to request information deemed necessary to: (1) determine whether an applicant for a license as a collection agency or a certificate as a compliance manager meets the requirements for the license or certificate; or (2) investigate an alleged violation of the provisions of law related to collection agencies and collection agents.

Section 12 of this regulation: (1) requires a collection agency to allow the Commissioner to conduct an examination, audit or investigation of accounts, books and records of the collection agency; and (2) authorizes the Commissioner to revoke the license of a collection agency that does not allow such an examination, audit or investigation.

S.B. 276 repealed provisions of the Nevada Revised Statutes governing foreign collection agencies and removed the requirement that previously required a permit to operate a branch office. (Section 52 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3610) **Sections 13-15, 22, 24 and 26** of this regulation eliminate obsolete provisions relating to foreign collection agencies and branch offices.

Existing regulations require an applicant for licensure as a collection agency to pay a nonrefundable application fee of \$375. Existing regulations further require such an applicant to pay an additional application fee of \$300, of which not more than \$150 may be refunded by the Commissioner on a prorated basis under certain circumstances. (NAC 649.120) **Section 15** provides instead that the additional application fee of \$300 is prorated on the basis of the licensing year, as provided by the Commissioner.

Existing regulations set forth certain fees for a compliance manager’s certificate. (NAC 649.151) **Section 16** of this regulation revises such fees. Existing regulations require the designated compliance manager of a collection agency to: (1) participate in the actual management, operation

and administration of the agency; and (2) be available in person at the business address of the agency. (NAC 649.210) **Section 17** of this regulation requires instead that the designated compliance manager: (1) participate in the actual oversight and compliance of the collection agency; and (2) be available in person at the principal place of business of the agency.

Existing regulations prohibit a person from conducting business as a collection agency in this State unless the location of the collection agency complies with all applicable planning and zoning ordinances. (NAC 649.250) **Section 19** of this regulation provides instead that a person is prohibited from conducting business as a collection agency in this State unless the collection agency has a principal place of business that: (1) complies with all applicable planning and zoning ordinances; and (2) is located in the United States. **Section 4** of this regulation defines the term “principal place of business.”

Existing regulations prohibit a collection agency or its compliance manager, agents or employees from using a fictitious name unless that name has been filed with the Commissioner on a form provided by the Commissioner. (NAC 649.260) **Section 20** of this regulation eliminates the requirement that the Commissioner acknowledge the receipt of such a form or notice within 5 days after receipt.

Section 21 of this regulation makes a technical correction to an internal reference to the Nevada Revised Statutes.

Existing regulations provide that the Commissioner will consider a violation of certain provisions of federal law by a collection agency or collection agent to be: (1) an act or omission inconsistent with the faithful discharge of the duties or obligations of a collection agency or collection agent; and (2) grounds for the suspension or revocation of the license of the collection agency or collection agent. (NAC 649.320) **Section 23** of this regulation makes such provisions also applicable to compliance managers.

Sections 16-18, 20, 22, 24 and 25 of this regulation revise the term “manager” to “compliance manager” for consistency with the changes enacted by S.B. 276.

Section 11 of this regulation makes a conforming change to indicate the proper placement of **sections 2-4** in the Nevada Administrative Code.

Section 1. Chapter 649 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 10, inclusive, of this regulation.

Sec. 2. *“Affiliate” has the meaning ascribed to it in NRS 649.375.*

Sec. 3. *“Division” means the Division of Financial Institutions of the Department of Business and Industry.*

Sec. 4. *“Principal place of business” means the physical location of a collection agency where:*

- 1. The compliance manager of the collection agency performs his or her required functions and duties as prescribed by NRS 649.035, as amended by section 16 of Senate Bill*

No. 276, chapter 534, Statutes of Nevada 2023, at page 3593, and NAC 649.210;

2. The officers and members of senior management of the collection agency:

(a) Direct, control and coordinate the business activities of the collection agency; and

(b) Oversee the daily operations of the collection agency; and

3. The books and records of the collection agency are maintained.

Sec. 5. *To satisfy the requirements of section 6 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589, a collection agency must display the information required pursuant to that section on the home page of its Internet website or another page of its Internet website that is clearly and conspicuously accessible from the home page of its Internet website.*

Sec. 6. *1. Pursuant to subsection 4 of NRS 649.075, as amended by section 18 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3594, a debt buyer may share a single license as a collection agency with one or more persons affiliated with the debt buyer if:*

(a) Any such affiliated person purchases only claims and does not engage in any other collection activity, including, without limitation, employing a third party to collect a claim; and

(b) The Division approves the debt buyer adding each such affiliated person to the license of the debt buyer.

2. If a debt buyer shares a single license with one or more affiliated persons, the debt buyer is liable and responsible for any action of any such affiliated person who violates a provision of this chapter or chapter 649 of NRS. The debt buyer:

(a) Must promptly notify the Division if the debt buyer no longer wants to share a single license with an affiliated person; and

(b) Is liable and responsible for any action of an affiliated person until the Division receives the notification required pursuant to paragraph (a).

3. Upon request of the Commissioner, a debt buyer that shares a single license shall submit with its annual report filed with the Commissioner pursuant to NRS 649.345, as amended by section 36 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3603, a list of all affiliated persons with whom the debt buyer shares the license.

Sec. 7. *A collection agent shall not work from a remote location that is outside of the United States.*

Sec. 8. *Upon request of the Commissioner, a collection agency shall provide the Division with:*

1. Evidence that a collection agent working from a remote location has complied with the requirements set forth in section 7 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589. Such evidence includes, without limitation:

(a) A copy of the signed written agreement described in subsection 1 of section 7 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589;

(b) A description of the training program that the collection agent completed pursuant to subsection 2 of section 7 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589, including the date on which the collection agent received such training; and

(c) The dates on which the collection agent worked for the collection agency under the direct oversight and mentoring from a supervisor pursuant to subsection 3 of section 7 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589;

2. The date on which the collection agent began working from a remote location;

3. Evidence that the collection agent working from a remote location and the remote location from which the collection agent works complies with the requirements set forth in section 8 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3589;

4. The written security policy developed and implemented by the collection agency

pursuant to section 9 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3590;

5. The record of collection agents who are authorized to work from a remote location, as maintained pursuant to paragraph (a) of subsection 4 of section 10 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3591;

6. Any recording of telephone calls performed by any collection agent conducting collection activities, regardless of whether the collection agent works from a remote location; and

7. The policies and procedures that govern the collection operations of the collection agency.

Sec. 9. *The Commissioner will waive the examination for an applicant for a compliance manager's certificate pursuant to subsection 4 of NRS 649.205, as amended by section 26.5 of Senate Bill No. 276, chapter 534, Statutes of Nevada 2023, at page 3599, if the applicant submits proof satisfactory to the Commissioner that the applicant's certificate from the national association that is a nonprofit with expertise in the business of collections proves the competence of the applicant.*

Sec. 10. *The Commissioner may request information deemed necessary to:*

1. Determine whether an applicant for a license as a collection agency or a certificate as a compliance manager meets the requirements of this chapter and chapter 649 of NRS; or

2. Investigate an alleged violation of the provisions of this chapter or chapter 649 of NRS.

Sec. 11. NAC 649.010 is hereby amended to read as follows:

649.010 As used in this chapter, unless the context otherwise requires, the words and terms defined in NAC 649.013 to 649.040, inclusive, *and sections 2, 3 and 4 of this regulation* have the meanings ascribed to them in those sections.

Sec. 12. NAC 649.060 is hereby amended to read as follows:

649.060 1. *A collection agency shall allow the Commissioner to conduct an examination, audit or investigation of any accounts, books and records of the collection agency at any time.*

The Commissioner may revoke the license of a collection agency that does not allow him or her to conduct an examination, audit or investigation of any such accounts, books and records.

2. The Commissioner ~~[of Financial Institutions]~~ will charge and collect a fee of \$75 per hour from each collection agency for any supervision, examination, audit, investigation or hearing conducted pursuant to *this chapter and* chapter 649 of NRS ~~[~~

~~2.], including, without limitation, any examination, audit or investigation conducted pursuant to subsection 1.~~

~~3.~~ The Commissioner will bill each collection agency upon the completion of the activity for the fee established in subsection ~~[H.]~~ 2. The fee must be paid within 30 days after the date on which the bill is received. In addition to any other fee allowed by this chapter or chapter 649 of NRS, and except as otherwise provided in this subsection, any payment received after that date 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.]~~ 4. Failure of a collection agency to pay the fee required in subsection ~~[H.]~~ 2 as provided in this section constitutes grounds for revocation of its license.

Sec. 13. NAC 649.076 is hereby amended to read as follows:

649.076 ~~[1.—A foreign collection agency shall allow the examination, investigation or audit of any accounts, books and records by the Commissioner of Financial Institutions at any time.~~

~~The Commissioner may revoke the certificate of a foreign collection agency that does not allow him or her to conduct an examination, investigation or audit of any accounts, books and records.~~

~~—2.]~~ In addition to all fees required by this chapter and chapter 649 of NRS, a ~~[foreign]~~ collection agency shall pay ~~[for]~~ the ~~[actual costs]~~ *reasonable expenses* for travel ~~[in connection with], meals and lodging of the Commissioner or a representative of the Commissioner incurred during~~ any examination, investigation or audit ~~[conducted by the Commissioner.]~~ *made at an office or principal place of business of the collection agency which is located outside of this State.*

Sec. 14. NAC 649.081 is hereby amended to read as follows:

649.081 Each collection agency ~~[and foreign collection agency]~~ shall provide to the Commissioner, ~~[of Financial Institutions,]~~ annually and before renewal of its license, ~~[or certificate, as applicable,]~~ a copy of all trust account statements, *as applicable*, and a report of its financial standing which must be prepared by a licensed certified public accountant who is in good standing in the state where the report is prepared.

Sec. 15. NAC 649.120 is hereby amended to read as follows:

649.120 1. An application for licensure as a collection agency must be accompanied by a nonrefundable application fee of \$375.

2. The applicant must pay an additional application fee of \$300, *prorated on the basis of the licensing year, as provided by the Commissioner*, for each original license issued. ~~[of which not more than \$150 may be refunded by the Commissioner of Financial Institutions on a prorated basis if:~~

~~—(a) The applicant withdraws his or her application before the Commissioner takes action on the application;~~

~~—(b) The Commissioner deems the application withdrawn pursuant to NRS 649.196 because the applicant did not submit all required information and fees within the time specified; or~~

~~—(c) The licensee surrenders his or her license during his or her first year of licensure.]~~

3. A collection agency shall pay the following fees:

(a) To renew a license, \$375; *and*

(b) For ~~[a duplicate license or]~~ a license for a transfer of location, \$15 . ~~;~~

~~(c) For each application for a permit to operate a branch office of a licensed collection agency, \$190; and~~

~~—(d) To renew a permit to operate a branch office of a licensed collection agency, \$150.]~~

Sec. 16. NAC 649.151 is hereby amended to read as follows:

649.151 1. An application for a *compliance* manager's certificate must be accompanied

by:

(a) A nonrefundable fee of ~~[\$190;]~~ *\$300*; and

(b) A nonrefundable investigation fee of ~~[\$115;]~~ *\$150*.

2. An applicant must pay an additional application fee of ~~[\$30]~~ *\$35* for issuance of the certificate.

3. The annual renewal fee for a *compliance* manager's certificate is ~~[\$30;]~~ *\$35*.

4. For each *compliance* manager's certificate that is reinstated, the holder of the certificate shall pay a fee of ~~[\$45;]~~ *\$50*.

5. An applicant who does not pass the examination *provided for in NRS 649.205* and wishes to reapply must pay a reexamination fee of \$100 for each subsequent examination.

Sec. 17. NAC 649.210 is hereby amended to read as follows:

649.210 1. The person who holds a valid *compliance* manager's certificate and who is the designated *compliance* manager of a collection agency must have direct supervisory responsibility for employees who engage in collections in this State and must participate in the actual ~~[management, operation and administration]~~ *oversight and compliance* of the ~~[licensed]~~ *collection* agency.

2. The *compliance* manager must be available in person at the *principal place of* business ~~[address]~~ of the agency in order to perform his or her required functions and duties.

Sec. 18. NAC 649.230 is hereby amended to read as follows:

649.230 Each *compliance* manager holding a *compliance* manager's certificate issued pursuant to chapter 649 of NRS shall notify the Commissioner ~~[of Financial Institutions]~~ in writing of any change of employment within 10 days after the change.

Sec. 19. NAC 649.250 is hereby amended to read as follows:

649.250 A person shall not conduct business as a collection agency in this State unless:

1. The person possesses each license or permit required by this chapter, chapter 649 of NRS or a local governmental entity; and
2. The ~~[location of the]~~ collection agency ~~[complies]~~ *has a principal place of business that:*
 - (a) *Complies* with all applicable planning and zoning ordinances ~~[.];~~ *and*
 - (b) *Is located in the United States.*

Sec. 20. NAC 649.260 is hereby amended to read as follows:

649.260 1. A collection agency, or its *compliance* manager, agents or employees, shall not use a fictitious name in the collection of a ~~[debt]~~ *claim* unless that name has been filed with the Commissioner ~~[of Financial Institutions]~~ on a form provided by the Commissioner.

2. A *compliance* manager, agent or employee who has filed for the use of a fictitious name shall not use that fictitious name in association with another collection agency unless the Commissioner ~~[of Financial Institutions]~~ has been notified in writing of the change in association.

~~[3. The Commissioner of Financial Institutions shall, within 5 days after receiving a form or notice pursuant to this section, acknowledge its receipt.]~~

Sec. 21. NAC 649.270 is hereby amended to read as follows:

649.270 Each bank or credit union in which a collection agency maintains a separate account for purposes of NRS 649.355 must be insured by the Federal Deposit Insurance Corporation, the National Credit Union Share Insurance Fund or a private insurer approved pursuant to NRS ~~678.755.~~ **672.755.**

Sec. 22. NAC 649.310 is hereby amended to read as follows:

649.310 1. If a collection agency, ~~foreign collection agency or person with a manager's certificate, or~~ an authorized representative of that collection agency ~~foreign collection agency or manager,~~ **or a compliance manager** fails to file a verified answer to a complaint within the time prescribed by the Commissioner of Financial Institutions pursuant to NRS 649.385, the collection agency ~~foreign collection agency~~ or **compliance manager, as applicable**, is deemed to have admitted to the allegations contained in the complaint.

2. Subject to the discretion of the Commissioner and except as otherwise provided in NRS 649.067 or other specific statute, a complaint filed with the Division, ~~of Financial Institutions of the Department of Business and Industry,~~ any documents filed with the complaint ~~,~~ and any report or information resulting from an investigation of a complaint are confidential.

Sec. 23. NAC 649.320 is hereby amended to read as follows:

649.320 The Commissioner ~~of Financial Institutions~~ will consider a violation by any collection agency, ~~or~~ collection agent **or compliance manager** of any of the provisions of 15 U.S.C. §§ 1692b to 1692j, inclusive, as those sections existed on July 1, 1986, to be an act or omission inconsistent with the faithful discharge of the duties or obligations of a collection agency, ~~or~~ collection agent **or compliance manager** and grounds for the suspension or revocation of the license **or certificate** of the collection agency, ~~or~~ collection agent ~~,~~ **or compliance manager, as applicable.**

Sec. 24. NAC 649.330 is hereby amended to read as follows:

649.330 The Commissioner ~~[of Financial Institutions]~~ may revoke or suspend the license of a collection agency ~~[, the certificate of registration of a foreign collection agency]~~ or a *compliance* manager's certificate if the collection agency ~~[, foreign collection agency]~~ or *compliance* manager, *as applicable*, violates any provision of this chapter or *chapter 649 of NRS*, ~~[649.305 to 649.375, inclusive,]~~ including, without limitation, a provision that imposes a fee or assessment. A revocation or suspension of a license or certificate must be made in accordance with the procedures set forth in chapter 649 of NRS.

Sec. 25. NAC 649.340 is hereby amended to read as follows:

649.340 The holder of a license or a *compliance* manager's certificate who fails to submit a report required pursuant to this chapter or chapter 649 of NRS on or before the applicable due date for the report will be fined \$10 per day until the report is properly submitted to the Commissioner ~~. [of Financial Institutions.]~~

Sec. 26. NAC 649.017, 649.086, 649.105, 649.130, 649.135, 649.140, 649.160 and 649.220 are hereby repealed.

TEXT OF REPEALED SECTIONS

649.017 “Foreign collection agency” defined. (NRS 649.053) “Foreign collection agency” means a person or entity which holds a certificate of registration pursuant to NRS 649.171.

649.086 **Public inspection of written instruments filed with Division of Financial Institutions.** (NRS 649.053, 649.065) Except as otherwise provided in NAC 649.310 or by specific statute, all papers, documents, reports and other written instruments filed with the Division of Financial Institutions of the Department of Business and Industry pursuant to this

chapter and chapter 649 of NRS are open to public inspection unless the Commissioner of Financial Institutions determines that the information is required to be withheld to protect the public welfare or the welfare of a collection agency, foreign collection agency or manager, as applicable.

649.105 Exemption from requirement to obtain license. (NRS 649.053, 649.075) A person who is not required to obtain a license as set forth in NRS 649.075 must obtain an exemption from the Commissioner of Financial Institutions certifying that he or she is not required to obtain a license. The exemption must be obtained before the person engages in collection activities governed by chapter 649 of NRS.

649.130 Branch offices: Filing and contents of application for permit to operate. (NRS 649.053, 649.167) An application for a permit to operate a branch office must be filed with the Commissioner of Financial Institutions on a form provided by the Commissioner. The application must contain:

1. The information required by subsection 2 of NRS 649.095 for an application for a license;
2. The number of the account maintained pursuant to subsection 2 of NRS 649.355, and the name and address of the bank where the account is maintained; and
3. Proof that the manager named in the application holds a current manager's certificate issued by the Commissioner of Financial Institutions.

649.135 Branch offices: Arrangements required for maintenance of records and trust account. (NRS 649.053, 649.054, 649.056, 649.167) The Commissioner of Financial Institutions will not issue a permit to operate a branch office in a state other than Nevada until the Commissioner is satisfied that the applicant has made appropriate arrangements for:

1. The storage, maintenance and retention in this State of all records regarding the collection of claims for or from residents of this State; and

2. The maintenance of an account pursuant to NRS 649.355 for the deposit of all money collected for or from residents of this State.

649.140 Branch offices: Appointment of Commissioner of Financial Institutions as agent for service of process. (NRS 649.053, 649.167)

1. The Commissioner of Financial Institutions will not issue a permit to operate a branch office for which the manager is not a resident of this State until the manager has appointed in writing the Commissioner to be his or her agent, in any action or proceeding against him or her concerning chapter 649 of NRS, upon whom all process may be served. In this writing, the manager must agree that any process against the manager which is served on the Commissioner is of the same legal validity as if it had been served on him or her and state that the appointment continues in force as long as any liability remains outstanding against him or her in this State. The appointment must contain a stipulation agreeing to venue for any proceeding concerning chapter 649 of NRS in any judicial or administrative district in this State without regard to the location of the residence of the manager or the principal place of business of the collection agency. The appointment must be acknowledged before an officer authorized to take acknowledgments of deeds and must be filed in the office of the Commissioner. A copy of the appointment which is certified by the Commissioner is sufficient evidence of the appointment and agreement.

2. When any process is served upon the Commissioner pursuant to this section, the Commissioner shall mail the process by certified mail to the last known address of the manager.

Service is complete upon the mailing. The manner of serving process described in this subsection does not affect the validity of any other service authorized by law.

649.160 Foreign collection agencies: Fees; reinstatement of expired or revoked certificate; transferability of certificate. (NRS 649.053, 649.171)

1. An application for a certificate of registration as a foreign collection agency must be accompanied by an application fee of \$500. The Commissioner of Financial Institutions may refund not more than \$300 of the fee on a prorated basis if:

(a) The applicant withdraws his or her application before the Commissioner takes action on the application;

(b) The Commissioner withdraws the application because the applicant did not submit all information and fees within the time specified; or

(c) The foreign collection agency surrenders its certificate of registration during its first year of registration.

2. The holder of a certificate of registration as a foreign collection agency must pay a fee of \$200 to renew the certificate of registration.

3. A certificate of registration as a foreign collection agency must not be reinstated after it expires or has been revoked by the Commissioner.

4. A certificate of registration as a foreign collection agency is not transferable.

649.220 Restrictions on service for multiple agencies. (NRS 649.053, 649.056)

1. No person may serve as manager of more than one primary collection agency at the same time.

2. No person may serve as manager of more than one secondary collection agency at the same time.

3. At the discretion of the Commissioner of Financial Institutions, upon application and his or her written approval first obtained, a manager of a collection agency may serve as manager of one primary collection agency and one secondary collection agency at the same time.

4. The approval may be revoked by the Commissioner at any time if he or she finds that:

(a) Confusion may exist in the mind of the public in dealing with the collection agencies having common management.

(b) The various business functions of the collection agencies operating under common management are likely to be or are being merged or commingled, or are otherwise being conducted, in the Commissioner's opinion, in a manner which may be deleterious or damaging to the best interests of the public or the collection agency industry.

(c) Improper or abusive collection methods are being used by either or both of the collection agencies operating under common management.

(d) Either or both of the collection agencies operating under common management are not conducting their affairs in compliance with chapter 649 of NRS or any of the regulations of the Commissioner adopted under that chapter.

(e) Insufficient time is being devoted by the manager to the affairs of one or the other collection agencies operating under common management.

**SMALL BUSINESS IMPACT STATEMENT FOR PROPOSED REGULATIONS BY
THE FINANCIAL INSTITUTIONS DIVISION (Division)
TO SENATE BILL (SB) 276
COLLECTION AGENCIES- DEBT BUYERS
September 12, 2023**

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 comments in accordance with NRS 233B.0608 for the purpose of considering whether as a result of the proposed regulations, there may be a direct and significant economic burden upon small business (defined as fewer than 150 employees) or if the regulations will directly restrict the formation, operation or expansion of a small business seeking to those engaged in or who desire to engage in the business of extending credit to ensure that there is established in this state an adequate, efficient and competitive service available to the general public.

The Division composed the solicitation list from current licensees under Nevada Revised Statutes Chapter 649 and known interested parties. In turn, the Division solicited comments on the proposed regulations for Senate Bill 276 (S.B.276) from the above lists by emailing a notice and questionnaire. 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.

See attached spreadsheet.

(III) Obtain a copy of the summary.

This Small Business Impact Statement was posted on the NFID website on October 16, 2023, along with a Notice of Workshop for November 2, 2023. 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 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 parties for review and invited written comment regarding the impact to the entities, NFID took all comments submitted into consideration.

Following review and analysis of the authorizing statutory language S.B.276 and written comment from the industry, the Division has determined that the proposed regulation is unlikely to impose a direct and significant economic burden upon a 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.

(c) 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 industry's biggest concern was the increase in licensing, certificates, and application fees. Even though the increase was minimal and not increased since the current regulation was adopted in 2006, the Division removed the increase for collection agencies and reduced the increase for the compliance managers.

Some comments were toward clarifying language for current statutory language or regulation.

Some comments were more directed towards S.B.276 and not the proposed regulations.

(II) BENEFICIAL EFFECTS:

The industry is in favor of removing the need to license each branch location and a license required for the main location. The other comments were more directed towards S.B. 276 and not the proposed regulations.

(2) Both Direct and Indirect effects:

(I) DIRECT EFFECTS:

The industry's biggest concern was the increase in licensing, certificates, and application fees. Even though the increase was minimal and not increased since the current regulation was adopted in 2006, the Division removed the increase for collection agencies and reduced the increase for the compliance managers.

Some comments were toward clarifying language for current statutory language or regulation.

Some comments were more directed towards S.B.276 and not the proposed regulations.

(II) INDIRECT EFFECTS:

The indirect effect comments more directed towards S.B.276 and not the proposed regulations or just needed clarification, which was provided in the small business impact spreadsheet.

(d) 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 530 small business questionnaires to all known interested parties. It received a total of forty (40) responses to the solicitation. Nine (9) small businesses provided comment, twelve (12) responded with N/A or no impact, and nineteen (19) 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 summary of response spreadsheet. Some of the comments were more directed towards S.B. 276 and not the proposed regulation, the Division cannot change current law but has drafted the proposed regulation to mitigate concerns from the industry and provide clarification.

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

The estimated cost to the Division for enforcement of the proposed regulation should be covered by the proposed fees to be collected by the Division. The Division does not foresee the need for any additional funding or budget increase.

(f) 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 Division is proposing a minimal increase in the compliance manager's application and certificate fees, within the allowable amount per statute.

The 1st Year → \$52,160 (Based on the application fee of \$450 and initial licensing fee of \$35.00 for 40 new compliance managers and a certificate renewal fee of \$35 for 936 current certificate holders).

The 2nd Year → \$34,160 (Based on yearly renewal fee of \$35 for excepted 976 certificate holders).

The fees collected will be used by the Division to regulate the industry at the most economical method possible with the Division's established objective to maintain fees at a level to cover agency costs to implement/operate/enforce and not to over burden small business with high and unnecessary fees.

(g) 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 any existing federal, state, or local standards regulating the same activity.

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

This is a result of the passage of new legislation, S.B. 276. The Division can only lessen the impact on small business by proposing regulation that provides clarification to the industry. The regulation itself does not impose an economy 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 649- Debt Buyers- Direct or Indirect Impact Item From Small Businesses</u>	<u>Number/ and %</u>	<u>Direct or Indirect</u>	<u>Adverse or Beneficial</u>	<u>NFID Answer/Mitigation</u>
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Will be able to easily add an additional branch location, with the removal of separate branch licensing and renewals.	2 (22.2%)	Direct	Beneficial	No response is required since this comment does not have an adverse impact on small business.
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NAC 649.076 - should be "reasonable and actual" expenses for out of state travel excluding meals and lodging. With the significant increase in fees, meals and lodging should not be an agency expense.	1 (11.1%)	Direct	Adverse	Current regulation allows for these expenses, the new language is providing clarification of the costs the Division may charge a licensee. The licensee does have a choice for the Division to travel onsite to the licensed location or for the Division to conduct the examination in Nevada, unless the licensee is operating with extreme weaknesses and/or at an unsatisfactory level. The reasonable expenses are based off the U.S. General
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				Services Administration (GSA) rates for the travel destination.
Negative financial impact to pay more in fees and costs. Price increases across the board	3 (33.3%)	Direct	Adverse	The Division has not raised the licensing fees since the current fee rates were adopted in 2006. However, after considering comments from small businesses and considering the changes in SB276, which makes all collection agencies the same, thereby, raising the foreign collection agency fees to collection agency fees, the Division will not increase the collection agency fees and will reduce the

				increase for the compliance managers.
Additional paperwork and personnel time to comply with Section 23. Suggest allowing a collection agency to attest that the training and oversight was provided.	1 (11.1%)	Indirect	Adverse	The added requirement creates minimal additional paperwork. The training and documentation of such training is an important compliance step for the collection agency to take.
Sections 7-8 provide both the agency and the remote worker with precise and accurate requirements for remote work and maintaining compliance. Opening up a remote workforce allows new opportunities with current and prospective client portfolios. Revisions of NRS Chapter 649 to permit work from home.	3 (33.3%)	Indirect	Beneficial	No response is required since this comment does not have an adverse impact on small business and permitting remote work is in Senate Bill 276 and not the proposed regulation.

<p>Section 7.3 Many collection agencies have had remote workers in place for more than a year, many of which are in locations which are not close to a branch location. These workers already have been trained, supervised, and monitored in a remote location. Bringing them to a facility to conduct in person training for 7 days adds a burden without significant impact. It would be appropriate to "grandfather" these agents and agencies and waive the "direct oversight and mentoring from a supervisor for at least 7 days" [which we interpret as in-person] for all workers who have been in such remote conditions for more than 30/60/90 days prior to the effective date of the proposed regulations.</p> <p>It would be beneficial to clarify 7 days- does it mean 7 consecutive intervals of eight hours; 7 random intervals of eight hours; any 7 occasions, regardless of duration.</p>	<p>1 (11.1%)</p>	<p>Direct</p>	<p>Adverse</p>	<p>Section 7.3 is in reference to Senate Bill 276 (SB276) and not the proposed regulation. The Division cannot change the language in SB 276.</p> <p>Nevada temporarily allowed collectors to work from home during the COVID-19 pandemic until July 31, 2021. All collectors contacting Nevada consumers and/or collecting on behalf of Nevada clients were required to return to the licensed location on August 1, 2021.</p> <p>The Division interprets this section to mean 7 consecutive 8-hour working days.</p>

<p>Along with overwriting the collection manager requirement for each location and consolidation all the responsibilities under one universal compliance manager relieves financial burden and personnel resources in licensing/renewal process</p>	<p>1 (11.1%)</p>	<p>Direct</p>	<p>Beneficial</p>	<p>The language in Senate Bill 276 and the proposed regulation still requires a compliance manager for each licensed location. The language no longer requires each branch location to be licensed.</p>
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<p>Section 7- NAC 649.081. Would cause a burden to require report of financial standing prepared by accountant.</p>	<p>1 (11.1%)</p>	<p>Direct</p>	<p>Adverse</p>	<p>Current regulation NAC 649.081 already requires a licensed certified public account to prepare the financials. The only change the proposed regulation is making to this section is to remove "foreign collection agency" and "certificate" since all collection agencies will be licensed the same and the Division will no longer issue certificates to "foreign collection</p>
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				agencies" but will issue a license as a collection agency.
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Why charging local/domestic small companies more for applications and renewals? The foreign/out of state companies should be charged more.	1 (11.1%)	Indirect	Adverse	Senate Bill 276 removed foreign collection agencies from chapter NRS 649. All out-of-state companies will be licensed as a collection agency, the same as in-state companies. All licensees will be charged the same fees.
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<p>Section 15- Prohibits a compliance manager to work for both a primary and secondary collection agency at the same time, which is inconsistent with NRS 649.305(2)</p>	<p>1 (11.1%)</p>	<p>Direct</p>	<p>Adverse</p>	<p>The Division does not believe the language in current regulation to be inconsistent with the new provisions from Senate Bill 276/NRS 649.305(2). Each licensed collection agency must maintain a licensed compliance manager. The Division would license a primary or secondary location, these are not necessarily branch locations nor does this language prohibit a licensed debt buyer to share a compliance manager with an unlicensed affiliated debt buyer who was approved by the Division to share the license.</p> <p>The section you are concerned with, NRS 649.305(2):</p>
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			<p>Section 15 subsection 3, states, in part, except as otherwise provided in subsection 2 of section 30 of Senate Bill 276(SB276). Subsection 2 of section 30 of SB276 states "a compliance manager must not be employed as a compliance manager by more than one collection agency or employed by a collection agency and an exempt entity at the same time. A compliance manager may be simultaneously employed as a compliance manager by a collection agency and an affiliate of that collection agency."</p> <p>NAC 649.030 "Primary collection agency" defined. "Primary</p>
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				<p>collection agency” means any collection agency which is not a secondary collection agency.</p> <p>NAC 649.040 “Secondary collection agency” defined. (NRS 649.053) “Secondary collection agency” means a collection agency which engages directly or indirectly in the solicitation or encouragement of debtors to pay delinquent debts directly to the debtors’ creditors through the use of machine-derived form letters.</p>
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Lumping collection agencies with debt buyers is not fair. Eliminate collection agencies from this and make it only apply to debt buyers.	1 (11.1%)	Indirect	Adverse	Adding debt buyers with collection agencies in NRS 649 was done by the Legislators in Senate Bill 276 and not the proposed
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				regulation. The Division cannot change the language in SB 276.
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SBI Response Summary:
Total Known Interested Parties Solicited: 530

Total Responded with Comments: 9
Total Responded with N/A: 12
Total Responded with over 150 Employees (outside the small business threshold): 19
Total Comments Impacting the SBI % (Total Known Interested Parties Solicited - N/A - over 150 Employees=): 499

% Responded/Total Solicited (40/530): 7.55%
% Responded with Comments/Total Comments Impacting SBI (9/499): 1.80%