

STATE OF NEVADA



STEVE SISOLAK  
Governor

DEPARTMENT OF BUSINESS AND INDUSTRY

MICHAEL BROWN  
Director

FINANCIAL INSTITUTIONS DIVISION

MARY YOUNG  
Interim Commissioner

October 18, 2019

Request for Information from Small Businesses  
S.B.432 - The Licensure and Regulation of Consumer Litigation Funding Companies

To Whom It May Concern:

On June 5, 2019, the Governor signed into law S.B.432 that requires persons engaging in the business of consumer litigation funding to be licensed and regulated in such a manner as to promote advantages and convenience for the public while protecting the public interest. The main purpose of this legislation is to bring under public supervision persons who are engaged in or who desire to engage in the business of consumer litigation funding and to ensure that there is established in this State an adequate, efficient and competitive consumer litigation funding service available to the public at large.

The Commissioner of the Financial Institutions Division was appointed the regulatory authority and delegated rulemaking authority to implement the provisions of the S.B.432 legislation. The first step in the rulemaking process is to consider the impact of the regulation on small businesses and, if necessary, consult with small business owners and prepare a small business impact statement. Before conducting a workshop with the industry on the proposed regulations, the Nevada Financial Institutions Division (NFID) must "make a concerted effort to" determine whether the 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 (NRS 233B.0608 (1))".

NFID is contacting members of the Nevada consumer litigation funding industry to request information to prepare a small business impact statement on the proposed draft regulations under Nevada Administrative Code pursuant to recently signed legislation by the Governor. The proposed regulations include provisions for establishing the costs related to fees and assessments, certain definitions, report of changes in information and locations, retention and examinations of records and accounts, confidentiality of records, restrictions, procedures for reinstatement of expired licenses, and provide for other matters properly relating thereto. The proposed regulations and questionnaire are attached and can also be found at the NFID website by selecting the "Proposed Regulations" under the "Opinions and Orders" tab, then S.B.432 Consumer Litigation Funding.

This E-Mail will serve as a request pursuant to NRS 233B.0608 for comment on whether the proposed regulations have any direct and significant economic burden upon small business (defined as fewer than 150 employees) who are engaged in or who desire to engage in the business of consumer litigation funding. **Please complete the attached questionnaire and send it to the Financial Institutions Division at 3300 W. Sahara, Suite 250, Las Vegas, Nevada 89102, or E-mail to [FIDmaster@fid.state.nv.us](mailto:FIDmaster@fid.state.nv.us) , or Fax to (702) 486-4563 on or before October 29, 2019.** A regulatory workshop will be scheduled in the near future and affected businesses and interested parties will be notified of the exact date, time, and location of the workshop.

Sincerely

Mary Young  
Interim Commissioner

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