

**REVISED INFORMATIONAL STATEMENT FOR REVISED ADOPTED
REGULATION AS REQUIRED BY NRS 233B.066
LCB FILE R060-14**

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 353C.

- **R060-14: Establishes procedures for the conduct of hearings regarding licensees whose debt to an agency has been assigned to the State Controller for collection.**

1. A clear and concise explanation of the need for the adopted regulations.

This regulation is necessary to update the regulations to comply with recent statutory changes adopted in Senate Bill 21 of the 2013 Legislative session relating to professional and occupational licensees who owe a debt to the State. The regulation provides guidance to licensing agencies regarding notices and licensee information required to be provided to the Controller's Office. Further, it discusses steps to take if the licensee fails to respond to a notice of debt sent by the Controller's Office or if the licensee agrees to satisfy the debt after notice has been sent to a licensing agency. It also outlines the hearing process and hearing scope for a licensee that requests a hearing to dispute the validity of a debt and clarifies the process to determine the validity of the debt.

This revised informational statement reflects the revisions to sections 14 and 21 of the adopted regulation as recommended by the Legislative Commission at its meeting on October 24, 2014.

2. A description of how public comment was solicited, a summary of public response, and an explanation how other interested persons may obtain a copy of this summary.

Public comments were solicited at the March 18, 2014, regulation workshop meeting and at the August 4, 2014, hearing for the adoption of regulations. Copies of the proposed regulation, notice of workshop and notice of intent to act upon the regulation were sent via email to all licensing agencies that may be impacted by the regulation. These documents were mailed to the main libraries in each county and were posted on the following websites: Controller's Office, Legislative Counsel Bureau, and Nevada Public Notice. These documents were also posted at the following locations:

- The Capitol Building, 101 North Carson Street, Carson City, Nevada 89701
- The State Library, 100 North Stewart Street, Carson City, Nevada 89701
- State Controller Carson City Offices, 101 North Carson Street, Suite 5, and 515 East Musser Street, Suite 200, Carson City, Nevada 89701
- State Controller Las Vegas Office, Grant Sawyer Building, 555 East Washington Avenue, Las Vegas, Nevada 89101
- Office of the Attorney General, 100 North Carson Street, Carson City, Nevada 89701
- Nevada State Legislature Building, 401 South Carson Street, Carson City, Nevada 89701

The only public comment on the regulation was received verbally after the March workshop.

At its meeting on October 24, 2014, the Legislative Commission deferred action on the Adopted Regulation and referred it back to the Controller's Office. The Legislative Commission objected to section 14 related to the prehearing conference and recommended that settlement negotiations remain confidential. Additionally, the Legislative Commission objected to section 21 related to hearing transcripts and recommended that the provisions be amended to clarify that the Controller's Office will keep a record of the hearing and a transcript may be obtained upon written request and payment of the fee. The Controller's Office held another public hearing on November 18, 2014 to consider revisions consistent with the recommendations of the Legislative Commission. No comments were made at the public hearing. The Controller's Office adopted the revisions to the adopted regulation consistent with the recommendations of the Legislative Commission.

A copy of the workshop and hearing minutes may be obtained from the Controller's Office, 101 North Carson Street, Suite 5, Carson City, Nevada 89701, by calling 775-684-5750, by email sent to mmann@controller.state.nv.us, or under the Press Room tab on the Controller's Office website at www.controller.nv.gov.

3. The number persons who:

(a) Attended each hearing:

March 18, 2014 public workshop: 11

August 4, 2014 adoption hearing: 5

November 18, 2014 hearing revising the adopted regulation: 4

(b) Testified at each hearing:

March 18, 2014 public workshop: 2

Rebecca Garcia, Gaming Control Board

Vicki Leigh, Business and Industry

August 4, 2014 adoption hearing: None

November 18, 2014 hearing revising the adopted regulation: None

(c) Submitted written comments: No written comments submitted at any hearing

4. A description of how comment was solicited from affected businesses, a summary of their response, and an explanation how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses in the same manner that public comment was solicited as outlined in the response to question 2.

5. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

In response to concerns expressed at the Legislative Commission meeting on October 24, 2014, the Controller's Office considered and adopted revisions to the adopted regulation at a meeting on November 18, 2014. Section 14 was revised to provide that settlement negotiations during a

prehearing conference are inadmissible at a hearing unless the parties agree otherwise. Section 21, related to hearing transcripts, was revised to clarify that the Controller's Office is responsible for making a record of the hearing consistent with chapter 233B of NRS and a transcript may be obtained by a party upon written request and payment of the fee.

The permanent regulation was adopted on August 4, 2014. There were no suggested changes presented at the adoption hearing and the regulation did not include the suggested change received after the public workshop held on March 18, 2014. The suggested change would allow a party to participate by telephone during the debt validity hearing in case the party cannot attend in person. The Controller did not accept the suggested change for two reasons:

1) During the formal hearing, participation by telephone is not desirable since evidence and testimony must be presented and each party has the right to examine any witnesses. If a party participates by telephone, it could create confusion regarding the evidence and testimony; and

2) There is an opportunity for the parties to participate in a prehearing conference, either in person or by telephone, in an attempt to settle some or all of the issues prior to a formal hearing.

6. The established economic effect of the adopted regulation on the businesses which it is to regulate and on the public. These must be stated separately, and each case must include:

(a) Both adverse and beneficial effects; and

(b) Both immediate and long-term effects.

There is no estimated economic effect of the adopted regulation on businesses or the public.

7. The estimated cost to the agency for enforcement of the adopted regulations.

There is no significant additional cost to the agency for enforcement of this regulation.

8. A description of any regulations of other state or government agencies which the proposed regulation overlaps or duplicates and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The Controller is not aware of any similar regulations of other state or government agency that the proposed regulation duplicates or overlaps.

9. If the regulation includes provisions that are more stringent than a federal regulation which regulates the same activity, a summary of such provisions.

There are no federal regulations that apply.

10. If the 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.

This regulation does not provide a new fee or increase an existing fee.