

**ADOPTED REGULATION OF
THE STATE TREASURER**

LCB File No. R117-16

Effective December 21, 2016

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

AUTHORITY: §1, NRS 355.285.

A REGULATION relating to public financial administration; revising provisions which authorize the Nevada Capital Investment Corporation to place money in certain fixed income investments to defray certain administrative costs or management fees; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the State Treasurer to cause to be formed the Nevada Capital Investment Corporation for public benefit, the purpose of which is to make private equity investments in businesses in certain industries. (NRS 355.270; NAC 355.240) The Corporation must be governed by a Board of Directors. (NRS 355.270) Existing law also authorizes the State Treasurer to invest with the Corporation an amount not to exceed \$50 million from the State Permanent School Fund. (NRS 355.280) Under existing law, the Corporation may place investments through external asset managers or private equity investment firms and make venture capital investments. (NRS 355.275) Existing law authorizes the State Treasurer to adopt regulations to implement these provisions. (NRS 355.285) Existing regulations authorize the Corporation to defray certain administrative and management fees by investing in a fixed income mutual fund or common trust fund approved by the Board of Directors. (NAC 355.320) This regulation authorizes the Corporation to invest in other fixed income investments which are approved by the Board and which, at the time of purchase, have a remaining term to maturity of not more than 5 years.

Section 1. NAC 355.320 is hereby amended to read as follows:

355.320 *1.* To defray any administrative or management fees charged by the Fund of Funds Manager pursuant to the contract between the Corporation and the Fund of Funds Manager, the Corporation may place money in ~~the~~ *any of the following which must be approved by the Board:*

- (a) *A fixed income mutual fund ~~for~~ ;*
- (b) *A common trust fund ~~approved by the Board.~~ ; or*
- (c) *Any fixed income investment which, at the time of purchase, has a remaining term to maturity of not more than 5 years.*

2. Upon Board approval, the Corporation may use the earnings of the mutual fund , ~~for~~ common trust fund *or other fixed income investment* to pay the administrative or management fees of the Fund of Funds Manager.