

LCB File No. R131-08

PROPOSED REGULATION OF THE COMMISSIONER OF FINANCIAL INSTITUTIONS

Explanation: Material in *bold italics* is new material; material lined out within ~~bold brackets~~ is material to be omitted.

Purpose: To adopt regulations under chapter 678 of the Nevada Administrative Code relating to credit unions, establishing the amount of certain fees; establishing certain definitions and policies; and providing other matters properly relating thereto.

General Authority: NRS 678.250, 678.260, 678.270, 678.310, 678.3435, 678.800, 678.810.

Agency Address:

Financial Institutions Division
2785 E. Desert Inn Road, Suite 180
Las Vegas, Nevada 89121

Agency Contact Persons:

George E. Burns, Commissioner
gburns@fid.state.nv.us
Steven Kondrup, Deputy Commissioner
skondrup@fid.state.nv.us
Telephone: (702) 486-4120
Facsimile: (702) 486-4563

Deputy Attorney General Providing Assistance to the Agency:

Daniel Ebihara, Deputy Attorney General
debihara@ag.nv.gov
Telephone: (702) 486-3326
Facsimile: (702) 486-3416
555 East Washington Street, Ste. 3900, Las Vegas, Nevada 89101-1068

Sec. 1. Chapter 678 of the NAC is hereby amended by adding thereto the provisions set forth as sections 2 through 6, inclusive, of this regulation.

Sec. 2. NAC 678.010 is hereby amended as follows:

NAC 678.010 Formation. (NRS 678.250, 678.270, 678.310)

1. Any person desiring to form a credit union pursuant to chapter 678 of NRS must:

(a) Complete the Organization Certificate, Confidential Report of Officials, Agreement by Director and Committeemen to Serve, Report of Officials and Credit Union Investigation Report provided by the Commissioner.

(b) Submit the forms required by paragraph (a) to the Commissioner, together with an investigation fee of ~~[\$75]~~ *\$1,000* and a charter fee of ~~[\$300]~~ *\$1,000*.

2. The Commissioner will investigate and determine whether the proposed Organization Certificate conforms to the requirements of chapter 678 of NRS concerning the general character and fitness of the subscribers thereto, and determine the economic feasibility of establishing the proposed credit union.

3. If the Commissioner is satisfied that the qualifications have been met, he will issue a charter to the proposed credit union.

Sec. 3. NAC 678.160 is hereby amended as follows:

NAC 678.160 Fee for license. (NRS 678.250, 678.270)

1. Not later than January 31 of each year, each credit union shall pay to the Division a license fee of ~~[\$300]~~ \$500.

2. A credit union which has been chartered under the laws of another jurisdiction and converts to a credit union chartered under the laws of this State shall pay a percentage of the license fee based on the number of days remaining in the year, assuming a 360-day year, and the total assets of the credit union as of the end of the month before the conversion. The prorated fee is due within 30 days after the conversion.

3. A credit union which receives a new charter, other than by conversion, is not required to pay the license fee until January 31 following its receipt of the charter.

Sec. 4. NAC 678.165 is hereby amended as follows:

NAC 678.165 Fees for foreign credit unions. (NRS 678.250, 678.3435)

1. An application for an initial certificate of authority submitted by a foreign credit union pursuant to NRS 678.343 must be accompanied by a nonrefundable fee of ~~[\$750]~~ \$1,000.

2. The annual fee for renewal for:

(a) The initial office is ~~[\$750]~~ \$1,000; and

(b) Each branch office is ~~[\$150]~~ \$200.

Sec. 5. NAC 678.035 is hereby amended as follows:

NAC 678.035 Disclosure of fees charged for services provided. (NRS 678.250, 678.480) A credit union may charge for services it provides if it discloses such fees to the ~~[customer]~~ member before imposing the fees on the ~~[customer]~~ member.

Sec. 6. *Confidentiality of reports of examination. (NRS 678.260; 678.790) The application and financial records submitted by a person pursuant to the provision of this chapter, any financial records or other documents submitted by a licensee pursuant to an audit or examination conducted by the Division and any report of examination by the Division are confidential and may be disclosed only to:*

1. The Division;

2. An authorized employee of the Division who needs the records for purposes relating to the administration of this chapter; or

3. A person or governmental entity that is authorized to obtain the records pursuant to an order issued by a court of competent jurisdiction.