

**PROPOSED REGULATION OF THE
SECRETARY OF STATE**

LCB File No. R146-13

May 8, 2014

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

AUTHORITY: §1, NRS 78.152, 80.113, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.7345, 89.045 and 89.251.

A REGULATION relating to business entities; adopting provisions relating to the current list of owners of record required to be maintained by certain business entities; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires certain business entities to maintain at their registered office or principal place of business in this State a current list of their owners of record or a statement indicating where such a list is maintained. Under existing law, upon the request of the Secretary of State, the business entity must provide the Secretary of State with the name and contact information of the custodian of the list. The Secretary of State must keep confidential the name and contact information of the custodian of the list. Existing law further provides that upon the request of any law enforcement agency in the course of a criminal investigation, the Secretary of State may require a business entity to: (1) submit to the Secretary of State a copy of the list of the entity's owners of record; or (2) answer any interrogatory submitted by the Secretary of State that will assist in the criminal investigation. Existing law authorizes the Secretary of State to adopt regulations to administer the provisions of existing law relating to the current list of owners of record required to be maintained by certain business entities. (NRS 78.152, 80.113, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.7345, 89.045, 89.251)

This regulation specifies the information which a business entity must provide to the Secretary of State when the Secretary of State requests the name and contact information of the custodian of the entity's current list of owners of record. Under this regulation, the Secretary of State must keep this information confidential, except that the Secretary of State may provide the contact information of the custodian of the list to a law enforcement agency that requests the information in the course of a criminal investigation. Finally, this regulation provides that a person who provides to the Secretary of State false or fraudulent information concerning a business entity's list of current owners of record or the custodian of that list is subject to the civil and criminal penalties for filing false or fraudulent records with the Secretary of State which are set forth in existing law. (NRS 225.084, 239.330)

Section 1. Chapter 75 of NAC is hereby amended by adding thereto a new section to read as follows:

1. If the Secretary of State requests the name and contact information of the custodian of the current list of the owners of record of a business entity, the Secretary of State must be provided with:

(a) Except as otherwise provided in paragraph (b), the full legal name of the natural person who has custody of the list and the actual physical address where the list is located.

(b) If the custodian of the list is a commercial registered agent or law firm, the legal name of the commercial registered agent or law firm and the name of a primary point of contact within that organization.

2. Except as otherwise provided in subsection 3, the information provided to the Secretary of State pursuant to subsection 1 is confidential and may not be made available to the public through a free entity search, bulk data download, copy request or public records request.

3. Upon the request of a law enforcement agency in the course of a criminal investigation, the Secretary of State may provide the information provided to the Secretary of State pursuant to subsection 1 to the requesting law enforcement agency.

4. If the custodian named pursuant to subsection 1 is a commercial registered agent or law firm and the primary point of contact named pursuant to paragraph (b) of subsection 1 is unavailable for any reason, a law enforcement agency may obtain the list from the commercial registered agent or law firm named as the custodian pursuant to subsection 1.

5. The provisions of NRS 225.084 and 239.330 apply to a person who provides information to the Secretary of State pursuant to this section or the applicable provision of

NRS 78.152, 80.113, 82.183, 86.246, 86.54615, 87.515, 87.5413, 87A.200, 87A.580, 87A.640, 88.3355, 88.5927, 88.6067, 88A.7345, 89.045 or 89.251.

6. As used in this section:

(a) “Commercial registered agent” means an individual or a domestic or foreign entity registered as a commercial registered agent pursuant to NRS 77.230.

(b) “Current list of the owners of record of a business entity” or “list” means the list required to be maintained by a business entity pursuant to the applicable provision of NRS 78.152 or 80.113, paragraph (c) of subsection 1 of NRS 82.181, paragraph (a) of subsection 1 of NRS 86.241, NRS 86.54615, 87.515 or 87.5413, subsection 1 of NRS 87A.195, NRS 87A.580 or 87A.640, paragraph (a) of subsection 1 of NRS 88.335, or NRS 88.5927, 88.6067, 88A.7345, 89.045 or 89.251.

(c) “Law firm” means:

(1) An attorney who is licensed to practice law in the relevant jurisdiction and is practicing law as a solo practitioner.

(2) An association of two or more attorneys who are licensed to practice law in the relevant jurisdiction and are practicing law together.