

PROPOSED REGULATION OF THE COMMISSIONER OF FINANCIAL INSTITUTIONS

LCB File No. R054-16

Citation of Authority:

Legislative Counsel's Digest:

Existing law authorizes the Commissioner of Financial Institutions to adopt such regulations as may be necessary to carry out the provisions of the following NRS documents: NRS 604A, NRS 649, NRS 658, NRS 669, NRS 671, NRS 673, NRS 675, NRS 676A, NRS 677, and NRS 678.

2. Address:

Office of the Commissioner
Financial Institutions Division
2785 E. Desert Inn Road, Suite 180
Las Vegas, NV 89121

3. The procedures for obtaining clarification of the regulation or relief from the strict application of its terms:

The Financial Institutions Division will review any and all requests for exceptions and clarification on case by case basis.

4. Proposed Regulations:

NAC 604A.090 Fees and assessments. (NRS 604A.300, 604A.600, 604A.640, 604A.740, 604A.760)

1. The nonrefundable application fee required pursuant to NRS 604A.600 is \$400 plus \$100 for each additional license for a branch location at which the applicant proposes to operate under his license.

2. The additional application fee required pursuant to NRS 604A.600 is \$375 plus \$75 for each additional license for a branch location at which the applicant proposes to operate under his license. The Commissioner may refund the fee on a prorated basis if:

(a) An applicant withdraws his application before the Commissioner acts on the application;
(b) The Commissioner deems an application to be withdrawn because the applicant fails to submit all information and fees required to complete the application within the period set forth in NRS 604A.600; or

(c) A licensee surrenders his license pursuant to NRS 604A.840 during his first year of licensure.

3. The fee to renew a license required pursuant to NRS 604A.640 is \$375 plus \$75 for each branch location at which the licensee is authorized to operate under the license.

4. The fee for reinstatement of an expired license as set forth in NRS 604A.640 is \$150 plus \$50 for each branch location at which the licensee is authorized to operate under the license.

5. The hourly fee authorized in NRS 604A.740 for supervision, audit, examination, investigation or hearing is ~~+\$60~~ \$75 per hour *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by*

the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.

6. The late fee for each day a licensee fails to submit a report required pursuant to the provisions of chapter 604A of NRS, as set forth in NRS 604A.760, is \$10.

7. The Commissioner shall bill each licensee for any fee or assessment imposed pursuant to the provisions of this chapter and chapter 604A of NRS. The licensee shall pay the fee within 30 days after the date the licensee receives the bill. Except as otherwise provided in this subsection, any payment received after the date due must include a penalty of 10 percent of the fee, plus an additional 1 percent of the fee for each month, or portion of a month, that the fee is not paid. The Commissioner may waive the penalty for good cause.

NAC 649.060 Fee for supervision and related activities: Amount; collection; failure to pay. (NRS 649.053, 649.295)

1. The Commissioner of Financial Institutions will charge and collect a fee of ~~+\$60~~ \$75 per hour from each collection agency for any supervision, examination, audit, investigation or hearing conducted pursuant to chapter 649 of NRS *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

2. The Commissioner will bill each collection agency upon the completion of the activity for the fee established in subsection 1. The fee must be paid within 30 days after the date on which the bill is received. In addition to any other fee allowed by this chapter or chapter 649 of NRS, and except as otherwise provided in this subsection, any payment received after that date must include a penalty of 10 percent of the fee plus an additional 1 percent of the fee for each month, or portion of a month, that the fee is not paid. The Commissioner may waive the penalty for good cause.

3. Failure of a collection agency to pay the fee required in subsection 1 as provided in this section constitutes grounds for revocation of its license.

NAC 658.010 Fee for supervision and examination: Collection; determination of amount; failure to pay; additional costs. (NRS 658.096, 658.101, 658.105)

1. On or before June 30 of each year, the Commissioner of Financial Institutions will collect a fee from each bank for the supervision and examination of the bank pursuant to chapters 657 to 668, inclusive, of NRS.

~~{2.—The fee is based on the portion of the annual appropriation from the State General Fund to the Division of Financial Institutions that is attributable to the supervision and examination of banks. Each bank shall pay a share of that amount as determined by the following schedule:}~~

2. The fee is based on the annual expense budget approved by the Legislature for the Division of Financial Institutions minus all other revenues collected by the Division, not including reserves. Each depository institution shall pay a share of that amount as determined by the following schedule:

<u>Total Assets</u>	<u>Base Fee</u>	<u>+ Fee Exceeding Base</u>
Less than \$5,000,000	\$5,000	N/A
\$5,000,000 or more, but less than \$10,000,000	5,000	\$.25 per thousand of assets exceeding \$5,000,000
\$10,000,000 or more, but less than \$50,000,000	6,250	\$.19 per thousand of assets exceeding \$10,000,000
\$50,000,000 or more, but less than \$100,000,000	13,850	\$.12 per thousand of assets exceeding \$50,000,000
\$100,000,000 or more, but less than \$500,000,000	19,850	\$.10 per thousand of assets exceeding \$100,000,000
\$500,000,000 or more, but less than \$1,000,000,000	59,850	\$.07 per thousand of assets exceeding \$500,000,000
\$1,000,000,000 or more, but less than \$3,000,000,000	94,850	\$.05 per thousand of assets exceeding \$1,000,000,000
\$3,000,000,000 or more, but less than \$10,000,000,000	194,850	\$.03 per thousand of assets exceeding \$3,000,000,000
\$10,000,000,000 or more, but less than \$20,000,000,000	404,850	\$.02 per thousand of assets exceeding \$10,000,000,000

~~[Any adjustment to the fee required to account for the distribution of unused portions of or increases in the annual appropriation from the State General Fund must be made in a proportionate amount that is based on the relationship that the fee determined for each bank pursuant to paragraph (a) bears to the total fee imposed on all banks licensed pursuant to chapters 657 to 668, inclusive, of NRS.]~~

The fee is calculated as of June of each year based upon the number of depository institutions and asset size of each as of December 31st of the previous year.

3. If the fee is not paid on or before June 30, the Commissioner will assess a penalty of 10 percent of the amount of the fee and an additional 1 percent of the fee for each month or portion of a month that the fee is not paid. The Commissioner may waive the penalty for good cause.

4. The fee does not include the cost of any extraordinary examination, audit, investigation or hearing conducted by the Division. The cost of any such examination, audit, investigation or hearing is ~~[\$60]~~ \$75 per hour *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

NAC 669.010 Fee for supervision and related activities: Amount; collection; failure to pay. (NRS 658.101, 669.250, 669.270)

1. The Commissioner of Financial Institutions will charge and collect a fee of ~~+\$60~~ \$75 per hour from each trust company for any supervision, examination, audit, investigation or hearing conducted pursuant to chapter 669 of NRS *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

2. The Commissioner will bill each trust company upon the completion of the activity for the fee established in subsection 1. The fee must be paid within 30 days after the date the bill is received. Except as otherwise provided in this subsection, any payment received after that date must include a penalty of 10 percent of the fee plus an additional 1 percent of the fee for each month, or portion of a month, that the fee is not paid. The Commissioner may waive the penalty for good cause.

3. Failure of a trust company to pay the fee required in subsection 1 as provided in this section constitutes grounds for revocation of its license.

NAC 671.010 Fee for supervision and related activities: Amount; collection; failure to pay. (NRS 658.101, 671.030, 671.120)

1. The Commissioner will charge and collect a fee of ~~+\$30~~ \$75 per hour from each licensee for any supervision, examination, audit, investigation or hearing conducted pursuant to chapter 671 of NRS *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

2. The Commissioner will bill each licensee upon the completion of the activity for the fee established in subsection 1. The fee must be paid within 30 days after the date the bill is received. Except as otherwise provided in this subsection, any payment received after that date must include a penalty of 10 percent of the fee plus an additional 1 percent of the fee for each month, or portion of a month, that the fee is not paid. The Commissioner may waive the penalty for good cause.

3. Failure of a licensee to pay the fee required in subsection 1 as provided in this section constitutes grounds for revocation of its license.

(Added to NAC by Comm'r of Financial Institutions, eff. 4-20-88; A 11-27-89, eff. 7-1-89; R137-08, 10-15-2010)

NAC 673.020 Fee for supervision and examination: Collection; determination of amount; failure to pay; additional costs. (NRS 658.101, 673.043, 673.430)

1. On or before June 30 of each year, the Commissioner of Financial Institutions will collect a fee from each savings and loan association for the supervision and examination of the savings and loan association pursuant to chapter 673 of NRS.

~~{2.—The fee is based on the portion of the annual appropriation from the State General Fund to the Division of Financial Institutions that is attributable to the supervision and examination of savings and loan associations. Each savings and loan association shall pay a share of that amount as determined by the following schedule:}~~

2. The fee is based on the annual expense budget approved by the Legislature for the Division of Financial Institutions minus all other revenues collected by the Division, not including reserves. Each depository institution shall pay a share of that amount as determined by the following schedule:

<u>Total Assets</u>	<u>Base Fee</u>	<u>+ Fee Exceeding Base</u>
Less than \$5,000,000	\$5,000	N/A
\$5,000,000 or more, but less than \$10,000,000	5,000	\$.25 per thousand of assets exceeding \$5,000,000
\$10,000,000 or more, but less than \$50,000,000	6,250	\$.19 per thousand of assets exceeding \$10,000,000
\$50,000,000 or more, but less than \$100,000,000	13,850	\$.12 per thousand of assets exceeding \$50,000,000
\$100,000,000 or more, but less than \$500,000,000	19,850	\$.10 per thousand of assets exceeding \$100,000,000
\$500,000,000 or more, but less than \$1,000,000,000	59,850	\$.07 per thousand of assets exceeding \$500,000,000
\$1,000,000,000 or more, but less than \$3,000,000,000	94,850	\$.05 per thousand of assets exceeding \$1,000,000,000
\$3,000,000,000 or more, but less than \$10,000,000,000	\$194,850	\$.03 per thousand of assets exceeding \$3,000,000,000
\$10,000,000,000 or more, but less than \$20,000,000,000	404,850	\$.02 per thousand of assets exceeding \$10,000,000,000

~~[Any adjustment to the fee required to account for the distribution of unused portions of or increases in the annual appropriation from the State General Fund must be made in a proportionate amount that is based on the relationship that the fee determined for each savings and loan association pursuant to paragraph (a) bears to the total fee imposed on all savings and loan associations licensed pursuant to chapter 673 of NRS.]~~

The fee is calculated as of June of each year based upon the number of depository institutions and asset size of each as of December 31st of the previous year.

3. If the fee is not paid on or before June 30, the Commissioner will assess a penalty of 10 percent of the amount of the fee and an additional 1 percent of the fee for each month or portion of a month that the fee is not paid. The Commissioner may waive the penalty for good cause.

4. The fee does not include the cost of any extraordinary examination, audit, investigation or hearing conducted by the Division. The cost of any such examination, audit, investigation or hearing is ~~[\$60]~~ \$75 per hour *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

NAC 675.080 Fee for supervision and related activities: Amount; collection; failure to pay. (NRS 658.101, 675.170, 675.400)

1. The Commissioner of Financial Institutions will charge and collect a fee of ~~[\$30]~~ \$75 per hour from each installment loan company for any supervision, examination, audit, investigation or hearing conducted pursuant to chapter 675 of NRS *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

2. The Commissioner will bill each installment loan company upon the completion of the activity for the fee established in subsection 1. The fee must be paid within 30 days after the date the bill is received. Except as otherwise provided in this subsection, any payment received after that date must include a penalty of 10 percent of the fee plus an additional 1 percent of the fee for each month, or portion of a month, that the fee is not paid. The Commissioner may waive the penalty for good cause.

3. Failure of an installment loan company to pay the fee required by subsection 1 as provided in this section constitutes grounds for revocation of its license.

(Added to NAC by Comm'r of Financial Institutions, eff. 4-20-88; A 11-27-89, eff. 7-1-89)

NAC 676A.260 Fee to conduct examination of activities, books, accounts and records. (NRS 676A.730)

1. The Commissioner will charge and collect a fee of ~~[\$100]~~ \$75 per hour from each registered provider for any examination, *audit, investigation or hearing by the Division* of the registered provider conducted pursuant to chapter 676A of NRS *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

2. The Commissioner will bill each registered provider upon the completion of the activity for the fee established in subsection 1. The fee must be paid within 30 days after the date the bill is received. Except as otherwise provided in this subsection, any payment received after that date must include a penalty of 10 percent of the fee plus an additional 10 percent of the fee for each month, or portion of a month, that the fee is not paid. The Commissioner may waive the penalty for good cause.

3. Failure of a registered provider to pay the fee required in subsection 1 as provided in this section constitutes grounds for revocation of the registration of the provider.

NAC 677.310 Fee for supervision and examination: Collection; determination of amount; failure to pay; additional costs. (NRS 658.101, 677.380, 677.430)

1. On or before June 30 of each year, the Commissioner of Financial Institutions will collect a fee from each thrift company for the supervision and examination of the thrift company pursuant to chapter 677 of NRS.

~~{2.— The fee is based on the portion of the annual appropriation from the State General Fund to the Division of Financial Institutions that is attributable to the supervision and examination of thrift companies. Each thrift company shall pay a share of that amount as determined by the following schedule:}~~

2. The fee is based on the annual expense budget approved by the Legislature for the Division of Financial Institutions minus all other revenues collected by the Division, not including reserves. Each depository institution shall pay a share of that amount as determined by the following schedule:

<u>Total Assets</u>	<u>Base Fee</u>	<u>+ Fee Exceeding Base</u>
Less than \$5,000,000	\$5,000	N/A
\$5,000,000 or more, but less than \$10,000,000	5,000	\$.25 per thousand of assets exceeding \$5,000,000
\$10,000,000 or more, but less than \$50,000,000	6,250	\$.19 per thousand of assets exceeding \$10,000,000
\$50,000,000 or more, but less than \$100,000,000	13,850	\$.12 per thousand of assets exceeding \$50,000,000
\$100,000,000 or more, but less than \$500,000,000	19,850	\$.10 per thousand of assets exceeding \$100,000,000
\$500,000,000 or more, but less than \$1,000,000,000	59,850	\$.07 per thousand of assets exceeding

		\$500,000,000
\$1,000,000,000 or more, but less than \$3,000,000,000	94,850	\$.05 per thousand of assets exceeding \$1,000,000,000
\$3,000,000,000 or more, but less than \$10,000,000,000	194,850	\$.03 per thousand of assets exceeding \$3,000,000,000
\$10,000,000,000 or more, but less than \$20,000,000,000	404,850	\$.02 per thousand of assets exceeding \$10,000,000,000

~~Any adjustment to the fee required to account for the distribution of unused portions of or increases in the annual appropriation from the State General Fund must be made in a proportionate amount that is based on the relationship that the fee determined for each thrift company pursuant to paragraph (a) bears to the total fee imposed on all thrift companies licensed pursuant to chapter 677 of NRS.~~

The fee is calculated as of June of each year based upon the number of depository institutions and asset size of each as of December 31st of the previous year.

3. If the fee is not paid on or before June 30, the Commissioner will assess a penalty of 10 percent of the amount of the fee and an additional 1 percent of the fee for each month or portion of a month that the fee is not paid. The Commissioner may waive the penalty for good cause.

4. The fee does not include the cost of any extraordinary examination, audit, investigation or hearing conducted by the Division. The cost of any such examination, audit, investigation or hearing is ~~160~~ \$75 per hour *subject to increase based on the Percentage Change of the Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.*

NAC 678.150 Fee for supervision and examination: Collection; determination of amount; failure to pay; penalty; additional costs. (NRS 678.250, 678.270)

1. On or before June 30 of each year, the Commissioner will collect a fee from each credit union for the supervision and examination of the credit union pursuant to chapter 678 of NRS.

~~2. The fee is based on the portion of the annual appropriation from the State General Fund to the Division that is attributable to the supervision and examination of credit unions. Each credit union shall pay a share of that amount as determined by the following schedule:~~

2. The fee is based on the annual expense budget approved by the Legislature for the Division of Financial Institutions minus all other revenues collected by the Division, not including reserves. Each depository institution shall pay a share of that amount as determined by the following schedule:

<u>Total Assets</u>	<u>Base Fee</u>	<u>+ Fee Exceeding Base</u>
Less than \$5,000,000	\$5,000	N/A
\$5,000,000 or more, but less than \$10,000,000	5,000	\$.25 per thousand of assets exceeding \$5,000,000
\$10,000,000 or more, but less than \$50,000,000	6,250	\$.19 per thousand of assets exceeding \$10,000,000
\$50,000,000 or more, but less than \$100,000,000	13,850	\$.12 per thousand of assets exceeding \$50,000,000
\$100,000,000 or more, but less than \$500,000,000	19,850	\$.10 per thousand of assets exceeding \$100,000,000
\$500,000,000 or more, but less than \$1,000,000,000	59,850	\$.07 per thousand of assets exceeding \$500,000,000
\$1,000,000,000 or more, but less than \$3,000,000,000	94,850	\$.05 per thousand of assets exceeding \$1,000,000,000
\$3,000,000,000 or more, but less than \$10,000,000,000	194,850	\$.03 per thousand of assets exceeding \$3,000,000,000
\$10,000,000,000 or more, but less than \$20,000,000,000	404,850	\$.02 per thousand of assets exceeding \$10,000,000,000

~~[Any adjustment to the fee required to account for the distribution of unused portions of or increases in the annual appropriation from the State General Fund must be made in a proportionate amount that is based on the relationship that the fee determined for each credit union pursuant to this subsection bears to the total fee imposed on all credit unions licensed pursuant to chapter 678 of NRS.]~~

The fee is calculated as of June of each year based upon the number of depository institutions and asset size of each as of December 31st of the previous year.

3. If the fee is not paid on or before June 30, the Commissioner will assess a penalty of 10 percent of the amount of the fee and an additional 1 percent of the fee for each month or portion of a month that the fee is not paid. The Commissioner may waive the penalty for good cause.

4. The fee does not include the cost of any extraordinary examination, audit, investigation or hearing conducted by the Division. The cost of any such examination, audit, investigation or hearing is ~~[\$60]~~ \$75 per hour *subject to increase based on the Percentage Change of the*

Division's annual budget approved by the Legislature, if deemed necessary by the Commissioner for any given year. This hourly fee amount will be published on the Division's website by December 31st of each year for the coming year.