

**ADOPTED REGULATION OF THE  
STATE TREASURER**

**LCB File No. R148-16**

Effective December 21, 2016

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

AUTHORITY: §1, NRS 353B.310.

A REGULATION relating to the Nevada College Savings Program; revising provisions relating to matching contributions made by an employer to the account of an employee; and providing other matters properly relating thereto.

**Legislative Counsel’s Digest:**

Existing law requires the State Treasurer to adopt regulations to establish and carry out the Nevada College Savings Program. (NRS 353B.310) Existing regulations authorize any person to make a contribution to an existing account in the Nevada College Savings Trust Fund. (NAC 353B.645) This regulation provides that an employer may make a contribution to an existing account in the Trust Fund that matches the contribution made by an employee of the employer.

**Section 1.** NAC 353B.645 is hereby amended to read as follows:

353B.645 1. ~~{Any}~~ *Except as otherwise provided in this section, any* person may make a contribution to an existing account.

2. *An employer may make a contribution to an existing account that matches a contribution made to the account by an employee of the employer.*

3. The Board will establish the minimum amounts for initial contributions and additional contributions to an account for each plan and will, from time to time, revise those amounts as it determines necessary.

~~3.~~ 4. The Board will refuse contributions that it determines constitute an abuse of the Program.

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS--NRS 233B.066**  
**Informational Statement**  
**LCB File No. R148-16**

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

The new regulations are necessary to update the current existing regulations as a result of the 2015 legislative passing of Senate Bill 412 which provides for a credit against taxes imposed on certain employers if an employer matches the contribution of an employee to certain college savings plans.

**2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.**

Copies of the proposed regulations, notices of workshops and notices of intent to act upon regulation were sent by facsimile to Nevada public libraries and physically posted at the Nevada State Buildings listed below. In addition, these documents were also made available on the website of the Office of the State Treasurer (<https://nevadatreasurer.gov/>), as well as online at <https://notice.nv.gov/>.

State Treasurer's Office

Carson City Office:	101 North Carson Street, Carson City, NV 89701
Las Vegas Office:	555 E. Washington Ave., Las Vegas, NV, 89101

Nevada State Library: 100 Stewart Street, Carson City, NV 89701

Nevada Legislative Building: 401 South Carson Street, Carson City, NV 89701

Blasdel Building: 209 East Musser Street, Carson City NV 89701

A workshop was held on July 28, 2016 at 1 p.m. The agenda and minutes attached hereto contain a summary of the discussions held regarding the proposed amendments. Thereafter, on or about September 2, 2016 the Treasurer issued a Notice of Intent to Act Upon a Regulation which incorporated any proposed amendments as well as clarifications from the Treasurer.

A public hearing was held on October 3, 2016 at 9:00 a.m. A copy of the agenda, proposed amendments and minutes are attached.

**3. The number of persons who:**

**(a) Attended each hearing:**

- i. July 28, 2016: 0 (2 Staff Members)
- ii. October 3, 2016: 0 (3 Staff Members)

**(b) Testified at each hearing:**

No one testified at hearing.

**(c) Submitted written comments:**

No written comment was received.

- 4. For each person identified in paragraphs (b) and (c) of number 3 above, the following information if provided to the agency conducting the hearing:**
- (a) Name;**
  - (b) Telephone number;**
  - (c) Business address;**
  - (d) Business telephone number;**
  - (e) Electronic mail address; and**
  - (f) Name of entity or organization represented.**

Not applicable.

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

Comments were solicited from the public in the form of a Business Impact Questionnaire. The Treasurer provided businesses with the proposed regulation changes via the publicly posted questionnaire faxed and posted in Nevada Public Libraries. No comments or concerns were received from the Public.

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

Not applicable. Amendments are noted in the October 3, 2016 9:00 am hearing materials.

- 7. The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately, and in each case must include:**
- (1) Both adverse and beneficial effects; and**
  - (2) Both immediate and long-term effects.**

Anticipated effects on the small business community:

- Adverse: None
- Beneficial: Employers will receive a modified business tax credit up to 25% of the college savings contribution they make (not to exceed \$500/per employee/per year) as part of a new employer/employee incentive to encourage families to save for higher education.
- Immediate: None. This Senate Bill 412 (modified business tax credit) will take time to communicate to the public, and for businesses to develop, and rollout the new employee benefit.
- Long-term: The proposed permanent regulations will help create an employee incentive companies to can offer which may aid in employee retention as the cost to pursue higher education continues to skyrocket, and employees are encouraged

to save in the Nevada Prepaid Tuition Program, taking advantage of the employer match program.

Anticipated effects on the public:

- Adverse: None
- Beneficial: The modified business tax credit incentive offered to businesses in Nevada will hopefully encourage economic development, job creation and enhanced employee retention.
- Immediate: None
- Long-term: The creation of another modified business tax credit in Nevada will hopefully encourage economic development, job creation. And enhanced employee retention.

**8. The estimated cost to the agency for enforcement of the proposed regulation:**

There will be no cost to make changes to the Nevada 529 College Savings Systems managed by Ascensus, record keeper for the Direct Sold Plans, and/or Putnam for the advisor sold 529 College Saving Plan. This change will allow acceptance of Employer Match Contributions, and the same summary report that is provided to the recordkeeping programs will be also submitted by employers to the Department of Taxation for review and action.

**9. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.**

Not applicable.

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

The regulation is not required or regulated pursuant to federal law.

**11. 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.**

These regulations do not establish a fee, nor increase an existing fee.