

**NOTICE OF INTENT TO ACT UPON REGULATION
AND
HEARING AGENDA**

Notice of Hearing for the Adoption, Amendment or Repeal of Regulations of
The Department of Business and Industry, Division of Insurance

The State of Nevada, Department of Business and Industry, Division of Insurance (“Division”), (775) 687-0700, will hold a public hearing at **1:30 p.m.**, on **March 21, 2019**, in the 1st Floor Hearing Room, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. Interested persons may also participate through a simultaneous videoconference conducted in the 4th Floor Tahoe Room at the Nevada State Business Center / Division of Insurance, 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102. The purpose of the hearing is to receive comments from all interested persons regarding the adoption, amendment or repeal of regulations pertaining to chapter(s) 697 of the Nevada Administrative Code (“NAC”).

The following information is provided pursuant to the requirements of Nevada Revised Statutes (“NRS”) 233B.0603:

LCB File No. R173-18. Business of Bail.

A REGULATION relating to bail; prohibiting certain acts by a person who does not hold the appropriate license; establishing certain requirements for the completion of a course of instruction in bail bonds by certain applicants for licensure; revising provisions governing the duties of, and restrictions on, licensees; revising provisions governing partnerships of licensees who engage in business in the bail industry; revising provisions governing sureties; requiring licensees to maintain certain records and forms; revising provisions governing the content, terms and modification of bail agreements; revising provisions governing collateral which secures an obligation; revising provisions which prohibit the early surrender of a defendant without good cause; eliminating requirements for certain annual reporting by licensees; and providing other matters properly relating thereto.

- (1) Why is the regulation necessary and what is its purpose?

The regulation is necessary to remove provisions that no longer apply to the business of bail. Most of the bail regulations are from 1978, so the regulations do not correspond to existing law. The purpose is to make the regulation of bail easier to understand for both bail licensees and consumers, to conform to the Nevada Revised Statutes, and to answer frequently asked questions.

- (2) What are the terms or substance of the proposed regulation?

Most of the proposed regulations will eliminate outdated concepts and update regulations to correspond to statutory provisions that were enacted or amended after 1978. Through the review and investigation into many of the bail-related consumer complaints made to the Division of Insurance, many bail licensees are acting outside the scope of their licenses, and do not seem to understand the current bail statutory scheme.

The proposed regulations are intended to help bail licensees better understand their roles and obligations by providing definitions and explaining terminology (e.g., types of licenses and references to licenses that no longer exist), updating provisions related to duties of licensees, surety companies, records, agreements, collateral, and miscellaneous provisions, such as early surrender of defendants, and clarifying areas of frequent violations of law and frequently asked questions.

The Division anticipates that the proposed regulations will result in: fewer issues of fraud related to collateral security and fees not being properly managed; improvement of the bail industry's reputation, which will lead to more people being willing to use commercial bail, thereby increasing competition and small business opportunities; improvements to community safety and public trust, as bail licensees act within the scope of their licenses, which will result in fewer resources being spent on public safety; fewer State resources spent on misunderstandings of law and addressing improper bail behavior; fewer complaints and calls to local law enforcement about bail licensees; and more effective use of law enforcement and court resources.

- (3) What is the anticipated impact of the regulation on the problem(s)?

It is expected that the regulations will help bail licensees better understand their roles and obligations to decrease the number of consumer complaints and investigations involving bail, and to improve the bail industry's reputation.

- (4) Do other regulations address the same problem(s)?

No.

- (5) Are alternate forms of regulation sufficient to address the problem(s)?

No.

- (6) What value does the regulation have to the public?

When bail licensees and the public understand the roles and limitations of bail licenses, bail licensees will be better serve the public. Further, the public trust in the business of bail will improve because communities will be safer, the bail industry's reputation will improve, and the public will better understand the purpose of and process for bail.

- (7) What is the anticipated economic benefit of the regulation?

a. Public

1. Immediate: Fewer violations and abuses and, consequently, fewer complaints of fraud due to bail licensees improperly keeping collateral security and charging fees; fewer resources spent to address community safety and complaints to law enforcement.

2. Long Term: Fewer instances of fraud due to bail licensees improperly keeping collateral security and charging fees; fewer resources spent to address community safety and complaints to law enforcement.
- b. Business of Bail
 1. Immediate: The bail industry's reputation will improve, leading to more people being willing to use commercial bail; fewer resources spent on complaints, investigations, misunderstandings related to bail transactions, as well as community safety.
 2. Long Term: The bail industry's reputation will improve, leading to more people being willing to use commercial bail; fewer resources spent on complaints, investigations, misunderstandings related to bail transactions, as well as community safety.
 - c. Small Businesses
 1. Immediate: None anticipated.
 2. Long Term: None anticipated.
 - d. Small Communities
 1. Immediate: The proposed regulations will improve community safety and public trust when bail licensees act within the scope of their licenses, with fewer resources spent on complaints, investigations, misunderstandings related to bail transactions.
 2. Long Term: The proposed regulations will improve community safety and public trust when bail licensees act within the scope of their licenses, with fewer resources spent on complaints, investigations, misunderstandings related to bail transactions.
 - e. Government Entities
 1. Immediate: Fewer resources spent by local law enforcement on complaints, investigations, misunderstandings related to bail transactions, resulting in more effective use of law enforcement; bail licensees will be more professional with courts, and fewer court resources spent on addressing issues related to bail transactions; fewer Division resources spent on complaints, investigations, and hearings as a result of more effective regulation.
 2. Long Term: Fewer resources spent by local law enforcement on complaints, investigations, misunderstandings related to bail transactions, resulting in more effective use of law enforcement; bail licensees will be more professional with courts, and fewer court resources spent on addressing issues related to bail transactions; fewer Division resources spent on complaints, investigations, and hearings as a result of more effective regulation.

(8) What is the anticipated adverse impact, if any?

- a. Public

1. Immediate: None anticipated.
 2. Long Term: None anticipated.
- b. Business of Bail
1. Immediate: None anticipated.
 2. Long Term: None anticipated.
- c. Small Businesses
1. Immediate: None anticipated.
 2. Long Term: None anticipated.
- d. Small Communities
1. Immediate: None anticipated.
 2. Long Term: None anticipated.
- e. Government Entities
1. Immediate: None anticipated.
 2. Long Term: None anticipated.

(9) What is the anticipated cost of the regulation, both direct and indirect?

- a. Enactment: None.
- b. Enforcement: No change.
- c. Compliance: No change.

(10) Does the regulation establish a new fee or increase an existing fee?

The proposed regulation will neither establish a new fee nor increase an existing fee.

(11) Provide a statement which identifies the methods used by the agency in determining the impact of the proposed regulation on a small business, prepared pursuant to subsection 3 of NRS 233B.0608.

Small businesses are not generally involved in bail transactions. Although bail agencies are generally small businesses, these regulations are intended to eliminate outdated regulations and to make roles and obligations of bail licensees consistent with Nevada's bail statutes, and are not intended to impose duties or obligations beyond what is currently required.

(12) Provide a description of any regulations of other state or local governmental agencies which the proposed regulation overlaps or duplicates, and a statement explaining why the duplication or overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, state the name of the regulating federal agency.

None.

(13) If the regulation is required pursuant to federal law, provide a citation and description of

the federal law.

Not applicable, as this regulation is not required pursuant to federal law.

(14) If the regulation includes provisions which are more stringent than a federal regulation that regulates the same activity, provide a summary of such provisions.

Not applicable, as this regulation does not include more stringent provisions.

Persons wishing to comment upon the proposed actions of the Division may appear at the scheduled public hearing or may address their comments, data, views or arguments, in written form, to the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706. Written submissions must be received by the Division on or before **March 14, 2019**. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Division may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be adopted, amended or repealed will be on file at the State Library, 100 North Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation will be available at the offices of the Division, 1818 East College Parkway, Suite 103, Carson City, Nevada 89706, and 3300 West Sahara Avenue, Suite 275, Las Vegas, Nevada 89102, and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://leg.state.nv.us/register/>. Copies of this notice and the proposed regulation will be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary. This does not apply to a public body subject to the Open Meeting Law.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

Notice of the hearing was provided via electronic means to all persons on the agency's e-mail list for administrative regulations, and this Notice of Intent to Act Upon Regulation was posted to the agency's Internet Web site at <http://doi.nv.gov/> and was provided to or posted at the following locations:

Nevada Division of Insurance
1818 East College Parkway, Suite 103
Carson City, Nevada 89706

Nevada Division of Insurance
3300 West Sahara Avenue, Suite 275
Las Vegas, Nevada 89102

Legislative Building

Nevada State Business Center

401 South Carson Street
Carson City, Nevada 89701

Blasdel Building
209 East Musser Street
Carson City, Nevada 89701

Capitol Building Main Floor
101 North Carson Street
Carson City, Nevada 89701

Nevada State Library & Archives
100 North Stewart Street
Carson City, Nevada 89701

Churchill County Library
553 South Main Street
Fallon, Nevada 89406

Elko County Library
720 Court Street
Elko, Nevada 89801

Eureka Branch Library
80 S. Monroe Street
P.O. Box 293
Eureka, Nevada 89316-0293

Lander County Library
625 S. Broad Street
P.O. Box 141
Battle Mountain, Nevada 89820

Lincoln County Library
63 Main Street
P.O. Box 330
Pioche, Nevada 89043-0330

Mineral County Public Library
110 1st Street
P.O. Box 1390
Hawthorne, Nevada 89415

3300 West Sahara Avenue
Las Vegas, Nevada 89102

Grant Sawyer Building
555 East Washington Avenue
Las Vegas, Nevada 89101

Nevada Department of Employment,
Training and Rehabilitation
2800 E. Saint Louis Avenue
Las Vegas, NV 89104

Carson City Library
900 North Roop Street
Carson City, Nevada 89701

Douglas County Public Library
1625 Library Lane
P.O. Box 337
Minden, Nevada 89423-0337

Goldfield Public Library/Esmeralda
County
Corner of Crook Ave. and Fourth St.
P.O. Box 430
Goldfield, Nevada 89013

Humboldt County Library
85 East 5th Street
Winnemucca, Nevada 89445

Las Vegas-Clark County Library District
7060 W. Windmill Lane
Las Vegas, NV 89113

Lyon County Library
20 Nevin Way
Yerington, Nevada 89447

Pershing County Library
1125 Central Avenue
P.O. Box 781
Lovelock, Nevada 89419

Storey County Clerk
26 S. B Street
P.O. Drawer D
Virginia City, Nevada 89440

Tonopah Public Library
167 S. Central Street
P.O. Box 449
Tonopah, Nevada 89049

Downtown Reno Library/Washoe County
301 S. Center Street
P.O. Box 2151
Reno, Nevada 89505-2151

White Pine County Library
950 Campton Street
Ely, Nevada 89301

Members of the public who would like additional information about the proposed regulation may contact Susan Bell, Legal Secretary, at (775) 687-0704, or via e-mail to suebell@doi.nv.gov.

Members of the public who are disabled and require special accommodations or assistance at the hearing are requested to notify the Commissioner's secretary, in writing, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

DATED this __12th__ day of February, 2019.

/s/
BARBARA D. RICHARDSON
Commissioner of Insurance

HEARING AGENDA

The State of Nevada, Department of Business and Industry, Division of Insurance

March 21, 2019 • 1:30 p.m.

Location of Hearing:

Nevada Division of Insurance
1818 E. College Pkwy., 1st Floor Hearing Room
Carson City, NV 89706
(Division Offices located in Suite 103)

Available via Videoconference at:

Nevada Division of Insurance
3300 W. Sahara Ave., 4th Floor Tahoe Room
Las Vegas, NV 89102
(Division Offices located in Suite 275)

1. Open Hearing: R173-18.
2. Presentation, Discussion and Adoption of Proposed Regulation. (For Possible Action)

LCB File No. R173-18. Business of Bail.

A REGULATION relating to bail; prohibiting certain acts by a person who does not hold the appropriate license; establishing certain requirements for the completion of a course of

instruction in bail bonds by certain applicants for licensure; revising provisions governing the duties of, and restrictions on, licensees; revising provisions governing partnerships of licensees who engage in business in the bail industry; revising provisions governing sureties; requiring licensees to maintain certain records and forms; revising provisions governing the content, terms and modification of bail agreements; revising provisions governing collateral which secures an obligation; revising provisions which prohibit the early surrender of a defendant without good cause; eliminating requirements for certain annual reporting by licensees; and providing other matters properly relating thereto.

3. Public Comment.
4. Close Hearing: R173-18.
5. Adjourn.

Supporting public material for this hearing may be requested from Susan Bell, Legal Secretary, Nevada Division of Insurance, 1818 E. College Parkway, Carson City, Nevada 89706, (775) 687-0704, or suebell@doi.nv.gov.

Note: Any agenda item may be taken out of order; items may be combined for consideration by the public body; items may be pulled or removed from the agenda at any time; and, discussion relating to an item may be delayed or continued at any time. The Hearing Officer, within his/her discretion, may allow for public comment on individual agenda items. Public comment may be limited to three minutes per speaker.

Members of the public are encouraged to submit written comments for the record.

We are pleased to make reasonable accommodations for attendees with disabilities. Please notify the Commissioner's secretary, in writing, no later than five (5) working days before the hearing: 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706, or suebell@doi.nv.gov.

NOTICES FOR THIS HEARING HAVE BEEN POSTED IN ACCORDANCE WITH NRS 241 AT THE FOLLOWING LOCATIONS:

Nevada Division of Insurance, 1818 E. College Parkway, Suite 103, Carson City, Nevada 89706
Nevada Division of Insurance, 3300 W. Sahara Avenue, Suite 275, Las Vegas, Nevada 89102
Nevada State Business Center, 3300 W. Sahara Avenue, Las Vegas, Nevada 89102
Nevada State Legislative Building, 401 S. Carson Street, Carson City, Nevada 89701
Grant Sawyer State Office Building, 555 E. Washington Avenue, Las Vegas, Nevada 89101
Blasdel State Office Building, 209 E. Musser Street, Carson City, Nevada 89701
Nevada State Capitol, 101 N. Carson Street, Carson City, Nevada 89701
Nevada Dept. of Employment, Training and Rehabilitation, 2800 E. Saint Louis Avenue, Las Vegas, Nevada 89104
The State of Nevada Website (www.nv.gov)
The Nevada State Legislature Website (www.leg.state.nv.us)
The Nevada Division of Insurance Website (www.doi.nv.gov)