

INFORMATIONAL STATEMENT FOR ADOPTED REGULATIONS
AS REQUIRED BY NRS 233B.066
R007-20

The informational statement required by NRS 233B.066 is submitted for the adopted amendments to Nevada Administrative Code (“NAC”) Chapter 628:

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

A section of the regulation is required as a result of recent changes to NRS Chapter 622 by the Nevada Legislature in Assembly Bill 319 effective July 1, 2019. In addition, the proposed regulation adds certain provisions for submitting petitions for declaratory orders, advisory opinions and for the proposed adoption, amendment or repeal of regulations as required by NRS 233B.100 and NRS 233B.120, and provides the Board may authorize its staff or a committee of members of the Board and staff to grant certificates of certified public accountant or firm registrations to qualified individuals or public accounting firms subject to Board ratification at its next regularly scheduled Board meeting and provides for other matters property related thereto.

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

(a) Copies of the proposed regulation, notice of intent to act upon the proposed regulation and notice of workshop and notice of hearing were sent by email to all licensees of the Nevada State Board of Accountancy. In addition, copies of the proposed regulations, notice of intent to act upon the proposed regulation and notice of workshop and notice of hearing were sent by U.S. mail and email to persons who were known to have an interest in the Nevada State Board of Accountancy regulations as well as any persons who had specifically requested such notice. These documents were also made available at the website of the Nevada State Board of Accountancy, www.nvaccountancy.com, mailed to all county libraries in Nevada, and posted at the following locations: Clark County Court House, Las Vegas City Hall, Washoe County Court House, and Washoe County Library.

(b) A workshop was held on January 15, 2020 in Las Vegas in conjunction with the regular Nevada State Board of Accountancy (“Board”) meeting to obtain comments on the proposed regulation changes. A hearing was held on March 4, 2020 in conjunction with the regular Board meeting in Reno to solicit additional comments regarding the proposed regulation changes. No one attended the workshop or hearing. The Board did not receive any comments regarding the proposed regulation. There was no opposition from licensees or the public to the adoption of the proposed regulation.

(c) All interested parties may obtain a summary of public response by written or verbal request to: Nevada State Board of Accountancy, 1325 Airmotive Way, Suite 220, Reno, Nevada 89502 or cpa@nvaccountancy.com.

3. The number of persons who: (a) Attended each hearing; (b) Testified at each hearing; and (c) Submitted to the agency written statements.

(a) The number of persons who attended:

1. the workshop was 0
2. the hearing was 0
3. the Board meeting adopting and amending the regulation was 0

(b) The number of persons who testified at:

1. the workshop was 0
2. the hearing was 0
3. the Board meeting adopting and amending the regulation was 0

(c) The number of submitted statements to the agency was:

None.

4. For each person identified in subsection 3 (b) and (c) 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 how other interested persons may obtain a copy of the summary.

Comments were solicited from affected businesses by emailing a copy of the proposed regulation to each licensee of the Board, including registered firms, and in the same manner as they were solicited from the public described above. The summary of public response is set forth in response to question 2 above and may be obtained as instructed in the response to question 2.

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.

The proposed regulation was adopted on March 4, 2020 without changing any part of the proposed regulation. Because there were no comments or proposed changes to the regulation received by the Board prior to the workshop or hearing, or received at the workshop or hearing, no changes were proposed by the Board upon adoption.

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:

(a) Estimated economic effect on the businesses which they are to regulate

This regulation should not have an economic impact on businesses that provide public accounting services.

1. Both adverse and beneficial effects:

There are no known adverse economic effects of the proposed regulation on the accounting profession and the public. The beneficial effects of the proposed regulation are to add certain provisions for petitions for declaratory orders, advisory opinions and for the proposed adoption, amendment or repeal of regulations as required by NRS 233B.100 and NRS 233B.120, and provide the Board may authorize its staff or a committee of members of the Board and staff to grant certificates of certified public accountant or firm registrations to qualified individuals or public accounting firms subject to Board ratification at its next regularly scheduled Board meeting. This allows for licensure or registration more quickly for individuals or public accounting firms which qualify for licensure or registration. In addition, the changes to the Board's regulations reflect various statutory changes that were made to NRS Chapter 622 by AB 319 in 2019 by which a person with a criminal history may petition the Board for a determination as to whether the person's criminal history will disqualify him or her from obtaining a license. The Board chose not to impose a fee for petitions filed pursuant to AB 319. The Board deems the proposed amendments are reasonably necessary and expedient for the orderly conduct of its affairs and for the administration of NRS Chapter 628.

2. Both direct and indirect effects:

This regulation should not have a direct or indirect effect or significant economic impact on small businesses that provide public accounting services. As set forth above, there are no known adverse economic effects of the proposed regulation on the accounting profession and the public. The beneficial effects of the proposed regulation are to add certain provisions for petitions for declaratory orders, advisory opinions and for the proposed adoption, amendment or repeal of regulations and provide the Board may authorize its staff or a committee of members of the Board and staff to grant certificates of certified public accountant or firm registrations to qualified individuals or public accounting firms subject to Board ratification at its next regularly scheduled Board meeting. This allows for licensure or registration more quickly for individuals or public accounting firms which qualify for licensure or registration. In addition, the changes to the Board's regulations reflect various statutory changes that were made to NRS Chapter 622 by AB 319 in 2019. The Board chose not to impose a fee for petitions filed pursuant to AB 319. The Board deems the proposed amendments are reasonably necessary and expedient for the orderly conduct of its affairs and for the administration of NRS Chapter 628.

(b) Estimated economic effect on the public which they are to regulate

This regulation will not have an economic impact on the public. See responses to subsection a above.

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

Enforcement of the regulation will be performed by the Board and there should not be any additional costs associated with enforcement of the adopted regulation.

9. A description of any regulations of other State or government agencies which the proposed 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.

The regulation does not overlap or duplicate any federal, state or local regulations.

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

The Nevada State Board of Accountancy is not aware of any similar regulations of the same activity in which the federal regulation is more stringent.

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.

The regulation does not provide for any new fees or increases to an existing fee.

12. Is the proposed regulation likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business? What methods did the agency use in determining the impact of the regulation on a small business?

The Executive Director considered the proposed regulation changes. Some of the proposed amendments to existing regulations coincide with the recent changes to NRS Chapter 622 by the Legislature in Assembly Bill 319 effective July 1, 2019 by which a person with a criminal history may petition the Board for a determination as to whether the person's criminal history will disqualify him or her from obtaining a license. The Board chose not to impose a fee for petitions filed pursuant to AB 319. The proposed regulation provides the process required by NRS 233B.100 and NRS 233B.120 for any interested person to petition the Board for a declaratory order or an advisory opinion regarding the applicability of any statutory provision, regulation or decision of the Board and for the adoption, filing, amendment or repeal of any regulation of the Board. The proposed regulation authorizes the Board to delegate the approval or denial of an application for a certificate, registration or license related to the practice of public accounting to the Board's staff or a committee of Board members subject to Board ratification at its next regularly scheduled Board meeting. This allows for licensure or registration more quickly for individuals or public accounting firms which qualify for licensure or registration. There are no additional requirements on any small business as a result of this proposed regulation.

At this time, comments are specifically solicited from affected businesses and licensees by providing a copy of the proposed regulation and notice of workshop and notice of hearing to each licensee of the Board. The proposed regulations were also made available on the Board's website, mailed to all county libraries and posted at various locations in Clark County and Washoe County.

Based upon all these considerations, the Executive Director determined that the proposed regulation does not impose a direct and significant economic burden upon a small business or restrict the formation, operation or expansion of a small business.

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