

**ADOPTED REGULATION OF THE DIRECTOR OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R140-06

Effective September 18, 2006

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

AUTHORITY: §1, NRS 348A.040.

A REGULATION relating to private activity bonds; requiring a local government or local agency under certain circumstances to file a report concerning the use of its volume cap with the Office of Business Finance and Planning of the Department of Business and Industry; providing that the Director of the Department will consider whether a local government or local agency has abandoned any of its volume cap when making determinations regarding transfers and augmentations of volume cap; and providing other matters properly relating thereto.

Section 1. Chapter 348A of NAC is hereby amended by adding thereto a new section to read as follows:

1. Each local government or local agency which, on or before December 31 of any year, has indicated, through adoption or a resolution or otherwise, that it has used, intends to use or has reserved its entire allocation of volume cap, or a portion thereof, for a specific project or use for that year, or which has carried forward any volume cap in any of the immediately preceding 3 years, shall file a report concerning that year with the Office of Business Finance and Planning of the Department.

2. The report must be filed on or before February 15 of the subsequent year, and set forth with respect to the local government or local agency for the year covered by the report:

(a) The amount and source of its volume cap used during that year for each project and authorized use;

(b) The amount and authorized use of its volume cap carried forward from that year to the subsequent year; and

(c) The amount of its volume cap carried forward from each of the immediately preceding 3 years and available during that year, including:

(1) The amount of such volume cap used during that year;

(2) The amount of such volume cap carried forward to the subsequent year;

(3) The amount of such volume cap abandoned during that year; and

(4) The name of the project or authorized use to which such volume cap relates.

3. The Director will consider whether a local government or local agency has abandoned any of its volume cap in determining whether to consent to any augmentation or transfer of any volume cap pursuant to NAC 348A.170 and 348A.180 or to approve the transfer of any volume cap pursuant to NAC 348A.230.

**NOTICE OF ADOPTION OF PROPOSED REGULATION
LCB File No. R140-06**

The Director of the Department of Business and Industry adopted regulations assigned LCB File No. R140-06 which pertain to chapter 348A of the Nevada Administrative Code on July 12, 2006.

Notice date: 5/31/2006
Hearing date: 7/12/2006

Date of adoption by agency: 7/12/2006
Filing date: 9/18/2006

INFORMATIONAL STATEMENT

1. A 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 regulation, notices of workshop and notices of intent to act upon the regulation were sent by U.S. mail and email to persons who were known to have an interest in the subject of industrial development bonds as well as any persons who had specifically requested such notice. These documents were also made available at the website of the Office of Business Finance and Planning (OBFP), www.dbi.state.nv.us/bfp, mailed to all county libraries in Nevada and posted at the following locations:

Department of Business and Industry
788 Fairview Dr., #100
Carson City, NV 89701

Grant Sawyer Building
555 E. Washington Blvd., Suite 4900
Las Vegas, NV 89101

Legislative Building
401 south Carson Street
Carson City, NV 89710

Nevada Dept. of Cultural Affairs
100 Stewart St.
Carson City, NV 89701

The Bradley Building
2501 East Sahara Ave.
Las Vegas, NV 89104

On or about May 31, 2006, the Director of the Department of Business and Industry (Director) issued a Notice of Intent to Act Upon a Regulation and a Notice of Workshop to solicit comments on Proposed Regulation. A workshop and public hearing was held on July 12, 2006, and the minutes of that meeting, attached hereto, contain a summary of the discussion held regarding the proposed amendments. In addition, by letter dated June 15, 2006, attorney John Swendseid, on behalf of Clark County, informed the Director that Clark County had no objection to the proposed regulation.

A copy of this summary of the public response to the proposed regulation may be obtained from the Office of Business Finance and Planning, 788 Fairview Drive, Suite 100, Carson City, Nevada 89701, 775-687-4246, or email to dwalther@dbi.state.nv.us.

2. The number persons who:

(a) Attended each hearing: 4

(b) Testified at each hearing: 4

(c) Submitted to the agency written comments: Attorney John Swendseid submitted a letter on behalf of Clark County.

3. 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 affected businesses in the same manner they were solicited from the public. The summary may be obtained as instructed in the response to question #1.

4. 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 regulation was adopted as edited by the Legislative Counsel with no substantive change from that originally proposed because there were no requests for amendments and all who took part in the discussion of the regulation indicated they understood its intent.

5. The estimated economic effect of the adopted regulation on the business which it is to regulate and on the public. These must be stated separately, and each case must include:

(a) Both adverse and beneficial effects; and

(b) Both immediate and long-term effects.

(a) Both adverse and beneficial effects

Local governments and state agencies who use volume cap will have additional, although minor, requirements for reporting the allocation and use of state volume cap in the immediate and long-term which should not involve any additional expense. Local governments and other persons who benefit from the use of state volume cap, including the public, will benefit in the immediate and long-term from provisions that will provide greater assurance that volume cap authority is not wasted.

(b) Both immediate and long-term effects.

See Item #5(a)

6. The estimated cost to the agency for enforcement of the adopted regulation.

There is no additional costs to the agency for enforcement of this regulation.

7. 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 overlapping is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

There are no other state or government agency regulations that the proposed amendments duplicate.

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

N/A

9. 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.

N/A

10. 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 director has 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. In making this determination the director considered the fact that the proposed amendment only applies to activity by local and state government officials and imposes no direct requirements on any private businesses.