

STATE OF NEVADA
EMPLOYMENT SECURITY DIVISION
MARCH 13th, 2020

KIMBERLY GAA: Good Morning, my name is Kimberly Gaa, I am the Administrator of the Employment Security Division. I will go ahead and start with Agenda Item 1, and call this meeting to order.

The purpose of this regulation hearing is to review and adopt two proposed regulations related to the Veterans & Senior Citizens Small Business Loan program pursuant to NRS 612.607.

I'd like to introduce our Division Senior Attorney, Troy Jordan. We also have several other members of the Division staff available here in the north and in the south as well. Please ask for assistance if you need it. I would like to thank all of you for attending this regulation hearing.

Under Agenda Item 2, we will start with the opportunity for Public Comment. If you would like to provide public comment, please come forward. Please limit your comments to five minutes each and if you have any written testimony to present, you can provide that with staff. When speaking, please identify yourself by stating your name, who you represent and then proceed with your comments. Is there anybody that would like to provide public comment in Las Vegas at this time? Is there anyone in Carson City who would like to comment? We will go ahead and close the first opportunity for public comment.

We will move on to Agenda Item 3, Confirmation of Posting. Mr. Terry, for the record, was proper notice for this meeting given, and did you receive proper confirmation of posting in accordance with Nevada Revised Statute 241.020(3)?

STEWART TERRY: Stewart Terry for the record, Management Analyst for the Management and Administration Support Services unit. Yes, proper notice was given for this meeting in accordance with NRS 241.020(3) and confirmation of posting was received.

KIMBERLY GAA: Under Agenda Item 4, Review of Written Comments, Mrs. Golden, have any written comments been received in regard to this small business workshop?

JOYCE GOLDEN: Joyce Golden for the record, assistant to the Administrator. No written comments were received.

KIMBERLY GAA: Moving on to Agenda Item 5, with the Administrator Review of Regulation related to reimbursable administrative costs for administration of the Veterans & Senior Citizens Small Business Loan program. This hearing is being held to adopt the proposed regulation to amend Chapter 612 of Nevada Administrative Code. Analysis of the proposed regulation was completed by DETR's Research and Analysis Bureau, which determined that there was no impact to small businesses from either of the regulations.

Our first regulation pertains to NAC 612.685: NAC 612.685 provides for the reimbursement of administrative costs for nonprofit private entities for the purpose of administering loans pursuant to subsection 2 of NAC 612.683. There are currently very few non-profit lenders that are interested in applying to run the loan program due to the cost of administering the program exceeding the reimbursement rate. In an effort to offset this and expand the number of nonprofit private entities interested in participating in the program, the Employment Security Division is amending NAC 612.685 to increase the maximum reimbursement rate for administrative costs incurred as a result of administering a loan under the program from 10% to 20%.

Moving on to Agenda Item 6, the Administrator Review of Regulation related to timely distribution of grant funds under the Veterans & Senior Citizens Small Business Loan Program. This hearing is being held to adopt the proposed regulation to amend Chapter 612 of Nevada Administrative Code. Analysis of the proposed regulation was completed by DETR's Research and Analysis Bureau, which determined that there was no impact to small businesses from either of the regulations.

This regulation pertains to NAC 612.673: NAC 612.673 will add a requirement that financial institutions entering into a contract to disburse a grant of money pursuant to the program shall distribute the funds within 15 months of the date on which the application for the grant submitted by the nonprofit private entity is approved. This regulation is being adopted due to standard bank lending practice timelines making it untenable for the awarded party to implement any program or report on any program activity in a timely manner.

Moving on to Agenda Item 7, we have the final opportunity for public comment if anybody would like to come forward at this time. Is there anybody that would like to provide public comment in Las Vegas at this time? Is there anyone in Carson City who would like to comment? We will go ahead and close this opportunity for public comment.

Thank you, I hereby adjourn this meeting.