Materials for Item No. 7

THIRD REVISED PROPOSED REGULATION OF THE

DIRECTOR OF THE DEPARTMENT OF BUSINESS AND

INDUSTRY

LCB File No. R074-25

February 23, 2026

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

AUTHORITY: §§ 1-21, NRS 232.8413.

A REGULATION relating to professional and occupational licensing boards; defining certain terms relating to the regulation of professional and occupational licensing boards; setting forth certain standards for each board relating to recordkeeping, officers of the board and attendance at board meetings; establishing certain requirements relating to the training of board members; establishing certain standards for the internal controls of a board; establishing certain requirements for the Internet website of a board; establishing certain requirements for a board relating to certain bills during a legislative session; authorizing a board to publish certain information for the public; setting forth certain standards relating to complaints to and investigations by or on behalf of a board; requiring a board to provide certain information to the Office of Nevada Boards, Commissions and Councils Standards within the Department of Business and Industry; providing for the Office to conduct performance evaluations of a board; providing for the Office to issue certain recommendations relating to a board; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Office of Nevada Boards, Commissions and Councils Standards within the Department of Business and Industry and charges the Office with certain duties relating to the regulation of professional and occupational licensing boards, including: (1) centralized administration; (2) establishing a uniform set of standards for investigations, licensing and discipline, internal controls and legal representation; (3) establishing a consistent set of structural standards for boards and commissions; (4) transparency and consumer protection; and (5) efficacy and efficiency. Existing law requires the Director of the Department to adopt regulations and procedures to administer the responsibilities of the Office. (NRS 232.8413, 232.8415) **Sections 3-10** of this regulation define certain terms relating to the regulation of professional and occupational licensing boards. **Section 2** of this regulation applies these definitions to the provisions of this regulation.

Section 11 of this regulation establishes certain structural standards for each board to: (1) maintain certain centralized records relating to each seat on the board, the board members filling those seats, and the terms of the board members serving on the board; and (2) elect or appoint officers of the board. **Section 11** also sets forth certain attendance requirements for board members at meetings.

Section 12 of this regulation requires: (1) the executive director of each board to notify board members of certain training requirements and when such training is offered; and (2) the board to notify the Office that a board member has successfully completed such training.

Section 13 of this regulation requires each board to establish certain standards for internal controls including: (1) developing and implementing a budget; (2) maintaining and protecting information in the records of the board in a certain manner; (3) complying and cooperating with all statutory and regulatory reporting and auditing requirements; and (4) taking certain actions to respond to audits that recommend corrective action.

Section 14 of this regulation requires each board to maintain a publicly accessible Internet website of the board, which includes certain information and meets certain requirements.

Section 15 of this regulation requires each board to: (1) track bills during a regular or special legislative session which may impact the operations of or licensees regulated by the board; (2) report certain information to the Office relating to such bills; and (3) take certain steps to implement bills which became law.

Section 16 of this regulation authorizes a board to publish certain materials to inform the public of information relating to the board and licensees of the board.

Section 17 of this regulation sets forth certain requirements relating to complaints to and investigations conducted by or on behalf of a board. **Section 18** of this regulation requires a board to provide certain quarterly information to the Office relating to complaints, investigations, disciplinary actions, licensees and other board operations.

Section 19 of this regulation requires a board to submit certain financial information to the Office on a quarterly and annual basis.

Section 20 of this regulation requires the Office to evaluate the performance of each board using the reports and other information required to be submitted to the Office.

Section 21 of this regulation provides that if the Office identifies: (1) certain concerns with a board, the Office may provide the board with written recommendations to address such concerns; or (2) certain conduct of a board member that may constitute malfeasance or nonfeasance, the Office may refer the board member to the Governor for possible removal.

Section 1. Chapter 232 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 21, inclusive, of this regulation.

Sec. 2. ***As used in sections 2 to 21, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 10, inclusive, of this regulation have the meanings ascribed to them in those sections.***

Sec. 3. ***"Board" means any professional or occupational licensing body, including, without limitation, a board, commission or council, that has been created by the Legislature and which is under the purview of the Office.***

Sec. 4. ***"Board member" means a person appointed to serve on a board.***

Sec. 5. ***"Disciplinary action" means any final action taken by a board against a licensee, including, without limitation, a public reprimand, probation, a fine, the suspension or revocation of a license or the voluntary surrender of a license in lieu of discipline.***

Sec. 6. ***"Executive director" means a person appointed or employed by a board to oversee the daily operations of the board.***

Sec. 7. ***"License" means any professional or occupational authorization, including, without limitation, a license, permit, registration or certificate, that is issued by a board.***

Sec. 8. ***"Licensee" means any person who holds a license issued by a board.***

Sec. 9. ***"Office" means the Office of Nevada Boards, Commissions and Councils Standards within the Department.***

Sec. 10. ***"Purview" means administrative oversight.***

Sec. 11. ***1. For the purposes of establishing a consistent set of structural standards pursuant to NRS 232.8415:***

(a) Each board shall:

(1) Maintain a centralized record of:

(I) Each seat on the board, including, without limitation, whether the seat is required by statute to represent certain interests or to serve a certain role;

(II) Each board member who is filling a seat on the board; and

(III) The terms of each board member, including, without limitation, the date on which each term begins and expires.

(2) Elect or appoint the officers of the board in accordance with the applicable statutes and regulations governing the board. Except as otherwise provided by specific statute or regulation adopted by the board, the board shall elect the officers of the board on an annual basis.

(b) Board members are required to attend and participate in meetings of the board. If, within a 12-month period, a board member has three or more consecutive unexcused absences or has unexcused absences from 50 percent or more of the meetings of the board, the board member has failed to meet this attendance requirement and the board or the Office may submit a recommendation to the Governor for the removal of the board member pursuant to NRS 232A.030.

2. As used in this section, "unexcused absence" means an absence that is not:

(a) Caused by illness, family emergency or other extenuating circumstance;

(b) Approved by the chair of the board; or

(c) Otherwise authorized by statute.

Sec. 12. *1. The executive director of each board shall notify the board members of any training that the board members are required to complete pursuant to NRS 622.200 and when such training will be offered.*

2. Not more than 30 days after a board member successfully completes any training required pursuant to NRS 622.200, the board shall provide written notice to the Office, in a format prescribed by the Office, confirming that the board member has successfully completed the required training.

Sec. 13. ***For the purpose of establishing a uniform set of standards for internal controls pursuant to NRS 232.8415, each board shall:***

1. Develop a budget for the board and monitor the implementation of the budget.

2. Maintain any information in the records of the board relating to licensees, finances and complaints in a manner that ensures the information is accurate, complete and verifiable.

3. Protect the confidential and personally identifiable information in the records of the board.

4. Comply and cooperate with all reporting and auditing requirements:

(a) Set forth by any applicable statute or regulation, including, without limitation, the governing statutes of the board and the requirements of title 54 of NRS or NRS 218G.400, 331.110, 333.705, as amended by section 8 of Assembly Bill No. 506, chapter 153, Statutes of Nevada 2025, at page 859, or NRS 622.100, as amended by section 3 of Senate Bill No. 274, chapter 83, Statutes of Nevada 2025, at page 444; or

(b) Established by any state entity authorized to conduct audits or require reports pursuant to any applicable statute or regulation, including, without limitation, the Legislative Auditor or the Budget Division of the Office of Finance,

➥ in a timely and accurate manner and in accordance with any deadline set forth in statute or regulation or established by the applicable state entity.

5. Respond to all audits of the board that are required or authorized by statute or conducted by a state entity that is authorized to conduct audits of the board pursuant to statute. Except as otherwise provided by specific statute, each board shall, not more than 90 days after receiving a final written report of an audit that recommends corrective action:

(a) Prepare a written plan for corrective action that addresses all recommendations for the corrective action; and

(b) Submit evidence to the auditing entity that the corrective action set forth in the written plan prepared pursuant to paragraph (a) has been taken.

Sec. 14. ***1. Each board shall maintain a publicly accessible Internet website of the board which is accessible to persons with disabilities, including, without limitation, persons who are blind or visually impaired and, in addition to any other information required by statute or regulation of the board, post on the Internet website of the board:***

(a) A citation and link to the enabling statutes of the board and any regulations adopted by the board, including, without limitation, emergency regulations, temporary regulations and permanent regulations of the board which have been adopted and filed with the Secretary of State pursuant to chapter 233B of NRS but not yet codified in the Nevada Administrative Code.

(b) The mission statement of the board.

(c) For all current board members:

(1) The name of each board member;

(2) If the board member was appointed to represent certain interests or serve a certain role that is required by statute, the interests or role which the board member represents or serves; and

(3) The dates on which the term of each board member begins and expires.

(d) The name and title of the executive director of the board.

(e) The contact information for the board, including, without limitation, the electronic mailing address, mailing address, physical address and telephone number for the board.

(f) Any upcoming meeting of the board or a subcommittee of the board, which must include, without limitation, the date, time, location, agenda, when available, and any other information required for notice of an upcoming meeting pursuant to NRS 241.020 or 622.340, as applicable.

(g) An archive consisting of all agendas and minutes of meetings of the board prepared pursuant to NRS 241.035 for a period of not less than the immediately preceding 5 years. All other agendas and minutes of meetings of the board outside of such 5-year period must be made available upon request in accordance with the provisions of chapter 239 of NRS.

(h) Clear instructions for applying for initial licensure, renewing a license and the reinstatement of a license and any applicable deadlines set forth in statute or regulation for applying for, renewing or reinstating a license.

(i) A system for verifying licenses, which must be accessible from the homepage of the Internet website with one click and, for each licensee, must include, without limitation, the full name of the licensee, the type and status of the license, the license number, the date of issuance and the date of expiration of the license and a yes-or-no-indication of whether the licensee has any history of disciplinary actions.

(j) A system for reviewing the history of disciplinary actions of a licensee, which must:

(1) Be accessible from the homepage of the Internet website;

(2) Be searchable;

(3) Be updated not more than 15 days after any new disciplinary action is finalized;

(4) Include, without limitation, the full name of the licensee, the type and status of the license, the license number of the licensee, the type of disciplinary action and the date of the disciplinary action; and

(5) Unless otherwise declared confidential by statute or court order, provide access to the final order or settlement agreement for any disciplinary action issued in the immediately preceding 5 years. All other final orders or settlement agreements for any disciplinary action not otherwise declared confidential outside of the immediately preceding 5-year period must be made available upon request in accordance with the provisions of chapter 239 of NRS.

(k) Clear instructions on how to file a complaint with the board, accompanied by forms that may be downloaded for filing a complaint or an online system on the Internet website that enables a person to file a complaint electronically.

(l) A copy of the most recent quarterly update submitted to the Office pursuant to section 19 of this regulation and a copy of all financial audits or balance sheets filed pursuant to NRS 218G.400 within the immediately preceding 5 years.

(m) A copy of any review, evaluation, report or audit of the board conducted or prepared within the immediately preceding 5 years by or on behalf of:

(1) The Sunset Committee of the Legislature;

(2) The Division of Internal Audits of the Office of Finance;

(3) The Fiscal Analysis Division of the Legislative Counsel Bureau; or

(4) Any other entity authorized by statute to conduct or prepare a review, evaluation report or audit of the board.

(n) A link to the Internet website of the Office which must be accessible from the homepage of the Internet website of the board.

(o) Any other report required to be published by statute or submitted annually by the board.

(p) Any performance data prepared by the board.

2. The Internet website of each board must comply with any applicable regulations, policies, standards and guidelines adopted by the Chief Information Officer of the Governor's Technology Office within the Office of the Governor pursuant to NRS 242.111, as amended by section 19 of Senate Bill No. 467, chapter 513, Statutes of Nevada 2025, at page 3565, and section 15 of Assembly Bill No. 1, chapter 4, Statutes of Nevada 2025, 36th Special Session, at page 42, and NRS 242.115.

3. As used in this section:

(a) "Emergency regulation" has the meaning ascribed to it in NRS 233B.033.

(b) "Performance data" means information or metrics prepared by a board to measure or report on the operations, workload or compliance with the statutory duties of the board, including, without limitation, data or metrics prepared by the board during the ordinary course of business or that is required by statute or regulation.

(c) "Permanent regulation" has the meaning ascribed to it in NRS 233B.036.

(d) "Temporary regulation" has the meaning ascribed to it in NRS 233B.0385.

Sec. 15. *1. During each regular or special legislative session, each board shall track any bills introduced in the Legislature which may impact the operations of or licensees regulated by the board.*

2. Not later than 60 days after the adjournment of each regular or special legislative session, each board shall submit a report to the Office, in a format prescribed by the Office, identifying, for each bill tracked pursuant to subsection 1:

(a) The bills tracked by the board and whether the bills became law;

(b) The potential impact of each bill on the operations of or licensees regulated by the board;

(c) Any actions required by the board to implement any bills which became law during the legislative session; and

(d) The estimated timeline for the board to implement any bills which became law during the legislative session.

3. For any bill tracked by the board pursuant to subsection 1 for which a board is required to take action to implement, the board shall:

(a) Update the regulations of the board consistent with the bill;

(b) Ensure that the bank accounts and the records of the board are consistent with the requirements of the bill; and

(c) Notify the Office, in a format prescribed by the Office, once the board has implemented the bill.

Sec. 16. *To provide outreach and education to the public, each board may publish newsletters, alerts or bulletins to inform the public of the activities of the board, professional standards of and ethical requirements for the licensees regulated by the board, the rights of the public and the procedures for reporting the misconduct of a licensee to the board.*

Sec. 17. *1. To ensure transparency and access to the public, each board shall make available to any person who wishes to file a complaint with the board a form for filing the complaint or a method to file the complaint electronically.*

2. When responding to a complaint filed with a board, the board shall comply with all requirements for confidentiality.

3. Before initiating an investigation, a board shall determine whether a complaint falls within the jurisdiction of the board.

4. For any matter under an investigation conducted by or on behalf of a board, the file of the complaint documenting the investigation must include, without limitation:

(a) Any statutory or regulatory deadlines applicable to the investigation and resolution of the complaint by the board;

(b) Whether the board met all the deadlines identified pursuant to paragraph (a); and

(c) If the board did not meet a deadline identified pursuant to paragraph (a), the reason the board did not meet the deadline.

5. For the purposes of subsection 4, the steps of an investigation may include, without limitation, the receipt or acknowledgment of a complaint, the issuance of a notice to a licensee, the determination of reasonable doubt, the filing of a formal complaint, the scheduling of a hearing and the issuance of a final decision by the board.

6. Upon the request of the Office and to the extent permitted by law, a board shall provide to the Office any files, documents, data or other information relating to an investigation conducted by the board, including, without limitation, any disciplinary action instituted as a result of an investigation.

Sec. 18. *On or before the 20th day of January, April, July and October, each board shall submit to the Office, in a format prescribed by the Office:*

1. All information required to be submitted to the Director of the Legislative Counsel Bureau pursuant to NRS 622.100, as amended by section 3 of Senate Bill No. 274, chapter 83, Statutes of Nevada 2025, at page 444. A board may submit a copy of the report submitted to the Director of the Legislative Counsel Bureau pursuant to NRS 622.100, as amended by section 3 of Senate Bill No. 274, chapter 83, Statutes of Nevada 2025, at page 444, to satisfy this requirement.

2. A summary of all complaints filed with the board during the immediately preceding calendar quarter, which must include, without limitation:

(a) All complaints received, pending and resolved by the board for the calendar quarter; and

(b) The number of complaints resolved by the board at each stage of the process for resolving a complaint, consistent with the statutory procedures of the board.

3. Any other information requested by the Office that is reasonably related to the administrative, fiscal or investigative operations of the board.

Sec. 19. *1. All money in the possession of a board must be deposited and used in accordance with any applicable statutes governing the board.*

2. On or before December 1 of each year, each board shall submit to the Office:

(a) A copy of the balance sheet or the report of an audit, as applicable, required to be filed with the Legislative Auditor and the Chief of the Budget Division of the Office of Finance pursuant to NRS 218G.400; and

(b) A form, in the format prescribed by the Office, summarizing the information provided pursuant to paragraph (a), which must include, without limitation:

(1) The total revenue of the fiscal year;

(2) The total expenditures of the board at the end of the fiscal year;

(3) The cash balances of the board at the end of the fiscal year;

(4) A statement from the board identifying any significant financial or structural concerns identified by the board; and

(5) A review of the adequacy of the existing fees which the board is authorized to charge under statute.

3. Not later than 30 days after the close of each fiscal quarter, each board shall submit to the Office a quarterly update summarizing the finances of the board for that fiscal quarter, in a format prescribed by the Office, which must include, without limitation:

(a) The total revenue of the board at the end of the fiscal quarter;

(b) The total expenditures of the board at the end of the fiscal quarter; and

(c) The cash balances of the board at the end of the fiscal quarter.

Sec. 20. *1. The Office shall evaluate the performance of each board using the reports and information submitted to the Office pursuant to sections 2 to 21, inclusive, of this regulation to assess the administrative efficiency, internal controls, transparency, responsiveness to the public and compliance with statutory reporting requirements of a board.*

2. If the Office identifies any issues during a performance evaluation conducted pursuant to subsection 1, the Office shall notify the board in writing and the board shall have 60 days to submit a written response addressing the issues identified by the Office. The Office shall evaluate the written response of the board, if any, before completing the performance evaluation of the board. The Office is not required to modify its findings or conclusions based on the written response of the board.

3. After completing a performance evaluation conducted pursuant to subsection 1, the Office may issue written recommendations to a board pursuant to section 21 of this regulation.

4. Nothing in this section shall be construed to authorize the Office to direct the financial or operational activities of a board or to require a board to take corrective action beyond what is required by statute.

Sec. 21. *1. If the Office identifies concerns regarding the compliance of a board with the requirements of statute or with the administrative practices, internal controls or reporting*

compliance of the board, the Office shall provide the board with written recommendations to promote improved performance, administrative consistency or compliance with statutory and regulatory requirements.

2. Not more than 60 days after receiving written recommendations provided pursuant to subsection 1, a board shall review such recommendations and provide the Office with a written response describing the actions the board intends to take to address the written recommendations of the Office, if any.

3. If the Office identifies any conduct by a board member in the performance of his or her duties that may constitute malfeasance or nonfeasance, including, without limitation, neglect of duty, incompetence or inefficiency, the Office may refer such conduct to the Governor to consider whether the board member should be removed from the board pursuant to NRS 232A.030.

STATE OF NEVADA

JOE LOMBARDO
Governor

DR. KRISTOPHER SANCHEZ
Director

PERRY FAIGIN
NIKKI HAAG
MARCEL F. SCHAERER
Deputy Directors

DEPARTMENT OF BUSINESS AND INDUSTRY
OFFICE OF THE DIRECTOR

June 9, 2026

Consideration of Public Comment, Response to Changes
LCB File No. R074-25

The Office of Nevada Boards, Commissions, and Councils Standards (the Office) received written and oral public comment regarding the proposed regulation, LCB File No. R074-25RP3 (RP3). All comments received through the public hearing process were reviewed and considered in accordance with NRS 233B. This document constitutes the Office's written consideration of public comment. The comments have been summarized and addressed below by section of the proposed regulation.

The Office is required pursuant to NRS 232.8413 and NRS 232.8415 to establish uniform standards for boards within its purview. Furthermore, the Office is obligated to adopt regulations that fulfill its statutory responsibilities, which are administrative in nature and intended to promote consistency, transparency, and accountability across all boards. NRS 232.8413. The proposed regulation was developed in accordance with this statutory directive and stakeholder input was considered throughout the process.

General Comment – Opposition to Adoption

Requested Change: Do not adopt the regulation as written and delay action until additional amendments and testimony from the public hearing are considered.

Office Response: The Office declines to delay adoption.

Office Reason: The Office provided opportunities for both written and oral public comment in accordance with NRS 233B. All comments received through the close of the public hearing were reviewed and considered prior to finalizing the regulation.

Section 10 – "Purview"

1st Requested Change and 2nd Requested Change: Remove or revise the definition of "purview" due to concerns regarding scope and clarity; Revise the definition of "purview" to further clarify the scope of administrative oversight and specify that oversight includes monitoring, reviewing, guiding, and evaluating board compliance and performance.

Office Response: Not accepted.

Office Reason: The Office conferred with the Legislative Counsel Bureau ("LCB") regarding this definition and through this consult the Office determined that it was consistent with the authority granted under NRS 232.8413 and NRS 232.8415 and is sufficient within the context of the regulation. The Office further determined that expanding the definition to include specific operational functions or examples is unnecessary and could unintentionally narrow or alter the ordinary administrative meaning of the term. Additionally, "Administrative oversight" is terminology utilized in multiple instances throughout the Nevada Revised Statutes (NRS) to define the authority for oversight of a public agency.

Additional Requested Change: Requests to define terms such as "centralized administration," "consumer protection," "efficacy," and "efficiency," and to further define evaluation standards used by the Office.

Office Response: Not accepted.

Office Reason: The Office is aware of the concerns expressed regarding the definition of certain statutory terms and evaluation criteria.

The terms referenced are established in NRS 232.8413 and NRS 232.8415 and are not redefined in the regulation, as they are interpreted within the context of their statutory meaning. The regulation provides specific administrative requirements and reporting standards through Sections 11–21, which collectively establish the framework for evaluating administrative performance.

Evaluation criteria are based on objective measures derived from statutory requirements and the reporting elements set forth in the regulation, including compliance with reporting obligations, internal controls, transparency, and responsiveness to the public.

The Office determined that additional definitions are not necessary at this time, as the regulation provides sufficient structure to implement the statutory framework while maintaining flexibility for administrative oversight.

Substantive Sections

Section 13 – Internal Controls

Requested Change: Revise the language of this section out of concerns that it imposes requirements on the boards that are unduly burdensome and/or are duplicative of existing statutory auditing, and that some boards may not have the necessary staffing, funding, technology, or administrative resources for compliance. Commenters further expressed concerns regarding requirements relating to budgeting, records maintenance, audit responses, reporting obligations, and protection of confidential information.

Office Response: Accepted in part.

Office Reason: The Office took into consideration the concerns that were expressed regarding administrative burden, duplication of existing requirements, and varying staffing and financial resources among boards.

The requirements contained in Section 13 establish uniform administrative standards for internal controls pursuant to NRS 232.8415 and is understood to be consistent with existing statutory, financial, auditing, confidentiality, and operational obligations already applicable to boards under Title 54 of NRS and other applicable provisions of law.

Several provisions within Section 13 reflect basic administrative practices and existing statutory responsibilities already routinely performed by boards, including, without limitation:

• Developing and monitoring a board budget.
• Maintaining records relating to licensees, finances, and complaints.
• Protecting confidential and personally identifiable information maintained by the board.
• Complying with existing statutory audit and reporting requirements already required pursuant to statutes such as NRS 218G.400 and NRS 622.100.
• Responding to audits conducted by entities already authorized by statute to conduct audits of boards.

The Office further determined that Section 13 does not require boards to create new audit programs, establish independent compliance divisions, retain outside consultants, or implement operational systems beyond those already necessary for the ordinary administration and operation of a public occupational or professional licensing board.

The Office recognizes that boards vary in size, staffing, funding, and operational structure. Accordingly, clarifications were incorporated during the progression of the regulation, including during the reprint ("RP") stage, to clarify the administrative intent of the section, align the language with existing statutory obligations, and reduce unnecessary duplication where practicable. These clarifications were retained in RP3.

Section 14 – Internet Website Requirements

1st Requested Change: Remove or revise requirements relating to searchable disciplinary systems, website posting requirements, and the publication of financial reports, audits, and reporting information due to concerns regarding administrative burden, implementation costs, website functionality, staffing limitations, and varying technological resources among boards. Commenters further requested removal of requirements that disciplinary systems be searchable and accessible from the homepage of a board's website.

Office Response: Not accepted.

Office Reason: The Office took into consideration the concerns regarding the proposed administrative burden, implementation costs, website functionality, and varying technological resources among boards.

The requirements contained in Section 14 are intended to promote transparency, public access to information, consumer protection, and consistency in administrative practices across boards pursuant to NRS 232.8413 and NRS 232.8415. Many of the requirements reflect information already maintained, published, or otherwise required to be publicly available pursuant to existing statutes governing public meetings, disciplinary actions, public records, licensure verification, audits, and reporting obligations.

Commenters noted that certain financial reports, audits, and related documents are already submitted to or maintained by other state entities. The Office recognizes that some of these reports may already be publicly available through other state agencies. However, members of the public seeking information regarding a specific board are most likely to access the board's website directly and may not know which other state agencies maintain a particular audit, balance sheet, or financial report. Requiring this information to be available on the board's website improves public accessibility and allows the public to more efficiently locate information relating to the operations and finances of a board.

With respect to searchable disciplinary systems and website accessibility requirements, boards may utilize existing website platforms, licensing systems, publicly accessible databases, or other existing website tools where practicable to satisfy the requirements of the regulation. The Office further notes that some boards currently maintain disciplinary or licensing information through searchable tables, lists, or spreadsheet-based formats published on their websites, demonstrating that compliance may be achieved through a variety of existing administrative and technological approaches without requiring a uniform software system or platform.

The Office further determined that public access to searchable licensure and disciplinary information is consistent with the principles of transparency and consumer protection set forth in NRS 232.8415. Members of the public should have the ability to reasonably verify the licensure status and disciplinary history of professionals regulated by boards under the Office's purview.

The Office recognizes that boards vary in size, staffing, funding, and technological capabilities and intends to work collaboratively with boards regarding implementation consistency and administrative guidance where appropriate, including utilization of existing state technology resources where available.

Clarifications regarding the administrative intent and implementation of Section 14 were incorporated during the progression of the regulation, including during the RP2 stage, and retained in RP3.

2nd Requested Change:

- Condition ADA accessibility requirements on the State providing necessary technology.
- Revise definition of "disciplinary action" to ensure it reflects adjudicated actions and protects presumption of innocence.
- Remove subsection (k) as redundant to Section 17.

Office Response: Accepted in part.

Office Reason: The Office is cognizant of the purported concerns regarding implementation of accessibility requirements. However, accessibility requirements are administrative standards intended to promote public access to information and are consistent with broader legal obligations applicable to public entities. The regulation does not impose requirements beyond those that are already required by law.

With respect to "disciplinary action," the Office agrees that the term should be clearly defined to ensure consistency and protect due process principles. This has been addressed through the addition of a definition in Section 5 of the regulation, which defines "disciplinary action" as "any final action taken by a board against a licensee, including, without limitation, a public reprimand, probation, a fine, the suspension or revocation of a license or the voluntary surrender of a license in lieu of discipline." This revision clarifies that only final, adjudicated actions are subject to reporting and public disclosure requirements, ensuring alignment with due process principles while maintaining transparency for the public. This clarification was incorporated during the RP2 stage of the regulation and retained in RP3.

Regarding subsection (k), the Office acknowledges the concern regarding potential overlap with Section 17. The provisions serve related but distinct purposes—Section 14 addresses public transparency through website posting, while Section 17 addresses complaint and investigation processes. The Office determined that both provisions are appropriate to maintain transparency and administrative consistency. This provision was reviewed during the RP2 and RP3 stages of the regulation and retained.

Section 15 – Legislative Tracking and Reporting

1st Requested Change: Remove the requirement to track all legislation or limit reporting to legislation directly relevant to the board or to legislation that becomes law. Commenters also raised concerns regarding potential inconsistency with Attorney General Opinion No. 2026-03.

Office Response: Not accepted.

Office Reason: The Office is aware of concerns regarding the scope of the requirement and the associated administrative burden, including comments referencing Attorney General Opinion No. 2026-03.

The Office determined that the boards must monitor legislative activity, that may impact board operations or their licensees, and further that the Office must be made aware of such legislative activity to ensure that the boards are timely implementing statutory changes as part of its oversight for administrative consistency across the boards.

The provision is administrative in nature and is limited to tracking and reporting legislative activity for the purpose of implementation and operational awareness. It does not require boards to engage in legislative advocacy, take positions on legislation, or conduct analysis beyond what is necessary to implement enacted laws.

The requirement does not alter the statutory authority or duties of boards and is consistent not only with the Office's responsibilities under NRS 232.8413 and NRS 232.8415, but also with the boards' existing responsibility to implement and administer the statutory provisions governing their professions and operations. The Office further determined that the regulation is not designed to create a significant financial burden on boards as boards inherently must be aware of, and administer, its governing statutes whether those statutory mandates are pre-existing or newly created. The regulation does not require boards to retain lobbyists, outside consultants, or dedicated legislative staff to comply with the provision. Furthermore, the Office intends to provide administrative guidance and reporting templates where appropriate to promote consistency and reduce administrative burden. The Office determined that this approach is consistent with applicable legal limitations while ensuring boards are able to implement statutory changes in a timely and consistent manner. This provision was reviewed during the RP2 and RP3 stages of the regulation and retained.

2nd Requested Change: Revise requirement to track legislation impacting "operations of or licensees" and instead focus only on "licensing requirements of licensees."

Office Response: Not accepted.

Office Reason: The Office determined that limiting tracking only to licensing requirements would be overly restrictive. Boards are responsible for implementing statutory changes that may affect not only licensure, but also administrative processes, reporting obligations, and operational functions.

The requirement to track legislation that may impact board operations or licensees ensures that the boards maintain awareness of enacted legislation and are able to implement statutory changes in a timely and consistent manner. This provision is administrative in nature and does not expand the statutory authority or duties of boards.

3rd Requested Change: Remove or revise language in Section 15(3)(b) requiring boards to ensure that "bank accounts and records" are consistent with enacted legislation, citing concerns that the provision is unclear and unrelated to legislative tracking responsibilities.

Office Response: Not accepted.

Office Reason: The Office is aware of concerns that have been expressed regarding the wording of Section 15(3)(b). The provision is intended to ensure that boards implement enacted legislation in a manner consistent with applicable statutory and administrative requirements.

Section 15(3)(b) is intended to apply only when enacted legislation creates or changes statutory requirements relating to a board's financial accounts, records, reporting obligations, or financial administration. The provision does not require boards to take action on pending legislation, anticipate statutory changes before enactment, or modify financial practices unless required by enacted law.

The Office reviewed comments regarding the scope and wording of this subsection during the public workshop and revision process and determined that the provision is administrative and compliance-oriented in nature and does not expand the Office's statutory authority or require boards to take action beyond implementing enacted statutory requirements. The provision was reviewed during the RP2 and RP3 stages of the regulation and retained.

Section 17 – Complaints and Investigations

1st Requested Change: Remove subsection (k) in Section 14 as redundant to Section 17.

Office Response: Not accepted.

Office Reason: As noted above, the Office determined that the provisions in Sections 14 and 17 serve different functions. Section 14 relates to public-facing transparency requirements, while Section 17 governs internal complaint and investigation processes.

Maintaining both provisions ensures clarity in both public access to information and internal administrative procedures and does not create unnecessary duplication.

2nd Requested Change: Revise the phrase "reasonable doubt" in Section 17 to "reasonable cause" or similar terminology consistent with disciplinary and investigative processes utilized by professional licensing boards.

Office Response: Accepted in part.

Office Reason: The Office acknowledges concerns regarding the terminology used in Section 17 relating to investigative determinations. The Office agrees that "reasonable doubt" may not accurately reflect the administrative or disciplinary standards utilized by professional licensing boards in evaluating complaints and determining whether to proceed with disciplinary action.

The Office further notes that concerns regarding investigative terminology in Section 17 were previously raised during the initial public workshop process. Earlier drafts of the regulation utilized terminology referencing "probable cause," which commenters noted reflected a criminal-law standard not typically applied within administrative licensing investigations. In response to those comments, and based on recommendations from the LCB, the Office revised the terminology in subsequent drafts from "probable cause" to "reasonable doubt" to better align with concerns raised during the workshop process and to distinguish the provision from traditional criminal-law terminology.

Following additional comments received during the public hearing process requesting the terminology be revised to "cause" or "reasonable cause," the Office considered the requested change but determined to retain the "reasonable doubt" language as reflected in RP3 to maintain consistency with the revisions and stakeholder feedback incorporated during the earlier stages of the rulemaking process.

This clarification was incorporated during the progression of the regulation, including revisions made during RP2 and retained in RP3.

3rd Requested Change: Commenters expressed concerns regarding confidentiality protections and the disclosure of investigative files, documents, and complaint materials to the Officer pursuant to Section 17(6), including concerns regarding consistency with board-specific confidentiality statutes and protections applicable to investigative records.

Office Response: Not accepted.

Office Reason: The Office is aware of the concerns that have been expressed regarding the confidentiality of investigative files and the disclosure of information to the Office pursuant to Section 17(6).

Section 17(6) expressly limits any disclosure to information provided "to the extent permitted by law." The provision is not intended to override, waive, or alter any statutory confidentiality protections applicable to investigative records, complaint files, privileged information, or disciplinary materials maintained by a board pursuant to Title 54 of NRS or any other applicable statute or regulation.

The provision is administrative in nature and is intended to allow the Office to obtain information necessary to fulfill its statutory oversight responsibilities under NRS 232.8413 and NRS 232.8415 where disclosure is otherwise authorized by law. The Office determined that additional revisions were not necessary because the regulation already limits disclosure to information permitted by existing law and does not expand the Office's authority beyond those statutory limitations.

Section 18 – Quarterly Reporting Requirements

1st Requested Change: Remove or revise the requirement to provide "any other information requested" due to concerns regarding scope and timing.

Office Response: Accepted in part.

Office Reason: The requirement is intended to ensure the Office can obtain information reasonably related to its administrative oversight and to fulfill its statutory responsibilities under NRS 232.8413 and 232.8415.

The Office clarifies that this provision is not intended to create open-ended or duplicative reporting obligations. The Office will rely on information already submitted by boards pursuant to existing statutory requirements wherever practicable.

Any additional requests for information will be:

- Reasonably related to administrative, fiscal, or investigative oversight.
- Limited in scope and proportional to the need identified.
- Not intended to require boards to recreate, substantially reformat, or duplicate existing reports or materials already submitted pursuant to statutory reporting requirements where the information can reasonably be provided in its existing format.

This clarification reflects the intended implementation of the provision and ensures the Office can fulfill its statutory responsibilities while remaining mindful of administrative burden. These revisions were made in the Second Revised Proposed Regulation (R074-25RP2) and retained in the Third Revised Proposed Regulation (R074-25RP3).

2nd Request Change: Clarify terms such as "resolved," "pending," and "stage of the process" relating to complaint reporting requirements to ensure consistent interpretation among boards with differing disciplinary processes.

Office Response: Accepted in part.

Office Reason: The Office is cognizant of concerns that were expressed regarding consistency in reporting terminology across boards with differing statutory and disciplinary structures.

The reporting required by this section is intended to provide administrative visibility into complaint processing and investigative workflow activity as part of the Office's responsibilities under NRS 232.8413 and NRS 232.8415 to establish uniform standards relating to investigations, licensing, and discipline. The Office recognizes, however, that complaint resolution processes, terminology, and procedural stages currently vary among boards based on their governing statutes, regulations, and disciplinary procedures.

The Office determined that establishing highly prescriptive universal definitions for terms such as "resolved," "pending," or "stage of the process" within the regulation may unintentionally conflict with existing statutory and regulatory frameworks applicable to individual boards. These terms are already utilized throughout board-specific statutes, regulations, disciplinary procedures, and administrative processes under Title 54 and related provisions of NRS and NAC, often with meanings that depend upon the governing statutory structure and procedural posture of the matter before the board. A single universal definition may therefore create unintended inconsistencies or conflicts across boards with differing statutory disciplinary frameworks.

Accordingly, the regulation maintains flexibility in reporting terminology while allowing the Office to provide administrative guidance or policy clarification regarding reporting expectations and implementation consistency where appropriate.

Section 19 – Financial Reporting Requirements

1st Requested Change: Clarify quarterly reporting requirements and address concerns regarding duplication with existing financial reporting obligations.

Office Response: Accepted in part.

Office Reason: The reporting requirements are unambiguous and intended to promote transparency and clear visibility into the financial condition of each board for oversight and public accountability. The provisions support consistency and accountability in financial reporting and align with existing statutory reporting requirements. The requirements are administrative in nature and are consistent with the Office's responsibilities under NRS 232.8413 and NRS 232.8415.

2nd Requested Change: Remove or revise requirements requiring submission in a "format prescribed by the Office," citing duplication and administrative burden.

Office Response: Accepted in part.

Office Reason: The Office agrees that duplicative reporting and reformatting of existing reports may create unnecessary administrative burden.

The intent of Section 19 is not to require boards to recreate or duplicate existing reports submitted pursuant to NRS 218G.400, but rather to ensure consistent visibility and comparability of financial information across boards as part of the Office's statutory responsibilities.

The reporting requirements set forth in statute were established prior to the creation of the Office. In order for the Office to fulfill its duties under NRS 232.8413 and NRS 232.8415, it is necessary for the Office to receive and review this information.

Section 19(2)(a) expressly permits boards to submit a "copy" of the balance sheet or audit report already required pursuant to NRS 218G.400. The provision is intended to rely upon existing statutory financial reporting documents rather than require boards to create new audits, recreate financial statements, or duplicate existing statutory reporting processes.

To address these concerns:

- Submission of existing reports will satisfy the requirement where practicable.
- Any standardized format will be limited to summary-level information necessary for consistency and will not require duplication of full reports.
- Any prescribed format will align with existing statutory reporting to minimize additional workload.
- The Office will provide fillable forms available on its website, with the ability for electronic submission, to streamline the process and reduce administrative burden on boards.

These concerns were raised during the public workshop process and revisions were made in response to stakeholder feedback to clarify the administrative intent of the section and reduce unnecessary duplication and reporting burden. These revisions were incorporated in the Second Revised Proposed Regulation (R074-25RP2) and retained in the Third Revised Proposed Regulation (R074-25RP3).

Section 20 – Performance Evaluations and Section 21 – Recommendations and Referrals

1st Requested Change: Enumerate specific evaluation benchmarks, limit arbitrary determinations of "issues," address concerns regarding resubmission of data, and clarify process, including next steps and outcomes.

Office Response: Accepted in part.

Office Reason: The Office is aware of the concerns that were expressed regarding transparency, predictability, and clarity in the performance evaluation process. Revisions were made in the Second Revised Proposed Regulation (R074-25RP2) to address these concerns and were retained in the Third Revised Proposed Regulation (R074-25RP3).

To further address these concerns, the Office will clarify here that:

- The Office will utilize criteria derived from statutory requirements and the reporting elements set forth in the regulation.
- Performance evaluations will be based on information already submitted pursuant to Sections 18 and 19 wherever practicable.
- The Office will provide written notice identifying the basis for any findings or identified issues.
- The 60-day response period ensures boards have an opportunity to provide context, clarification, or corrections.
- The Office maintains the discretion to modify findings based on responses and responses will be considered as part of the final evaluation record.

Additionally:

- The regulation explicitly states that the Office does not direct operations or require corrective action beyond statute.
- This section provides that the Office's role is limited to recommendations and statutory referral pathways, not enforcement.

These clarifications were incorporated during the RP2 stage of the regulation and retained in RP3.

2nd Requested Change: Clarify outcomes of evaluations, appeals, and next steps.

Office Response: Accepted in part.

Office Reason: The Office agrees that clarity regarding process improves transparency and consistency. As reflected in revisions incorporated during the RP2 stage of the regulation and retained in RP3:

- Performance evaluations result in written findings and, where applicable, recommendations.
- Boards may provide written responses that become part of the record.
- Recommendations are advisory in nature.
- Any further action is limited to existing statutory mechanisms, including referral to the Governor where appropriate.

The Office further determined that a formal appeals process is not necessary, as the regulation does not impose disciplinary action. The Office further determined that the evaluation process is administrative and advisory in nature and does not result in disciplinary action against a board.

3rd Requested Change: Revise Sections 20 and 21 to:

- Limit the Office's role to administrative compliance reporting.
- Clarify that the Office cannot direct board operations or impose corrective action.
- Emphasize board authority over professional competence standards.
- Modify evaluation and recommendation language.

Office Response: Accepted in part.

Office Reason: The Office is aware of concerns that have been expressed regarding the scope of its authority and board autonomy in determining professional standards. Revisions addressing these concerns were made in the Second Revised Proposed Regulation (R074-25RP2) and retained in the Third Revised Proposed Regulation (R074-25RP3).

As part of those revisions, Sections 20 and 21 were modified to replace an enforcement-based framework with a recommendation-based oversight model. The regulation was further revised to require written notice of findings and provide boards with a 60-day response period prior to finalizing any evaluation.

Additionally, the regulation was clarified to explicitly provide that:

- The Office does not direct the financial or operational activities of a board.
- The Office does not impose corrective action beyond what is required by statute.

- The Office's role is limited to administrative oversight and recommendations, with referral authority to the Governor pursuant to statute.

The Office determined that these revisions appropriately address stakeholder concerns while maintaining its statutory responsibilities under NRS 232.8413 and NRS 232.8415.

4th Requested Change: Clarify the standards, benchmarks, and criteria utilized by the Office in conducting performance evaluations and determining "issues" identified during evaluations.

Office Response: Accepted in part.

Office Reason: The Office is aware of concerns that have been expressed regarding transparency and consistency in the evaluation process. Performance evaluations are intended to assess administrative compliance with statutory reporting requirements, internal controls, transparency obligations, and administrative practices established under the regulation.

As reflected in revisions incorporated during the RP2 stage of the regulation and retained in RP3, the Office clarified that evaluations will be based on objective criteria derived from statutory requirements and reporting elements contained within the regulation.

The Office determined that additional prescriptive evaluation criteria within the regulation are not necessary and that maintaining administrative flexibility is appropriate to account for differences in board structure and operations while preserving consistency in oversight practices.

5th Requested Change: Relocate the definition of "performance data" to the general definitions section of the regulation for organizational clarity and consistency.

Office Response: Not accepted.

Office Reason: The Office determined that retaining the definition within the performance evaluation provisions of Sections 20 and 21 provides contextual clarity regarding the use and application of the term within the evaluation framework.

6th Requested Change: Extend the 60-day response period applicable to board responses to performance evaluations and recommendations to account for quarterly meeting schedules and compliance with Nevada Open Meeting Law requirements.

Office Response: Not accepted.

Office Reason: The Office is aware of the expressed concerns regarding board meeting schedules and the practical considerations associated with compliance with Nevada Open Meeting Law requirements.

The Office determined that the 60-day response period provides boards with a reasonable opportunity to review evaluation findings, place matters on a public meeting agenda where necessary, and provide written responses, clarification, or supporting information prior to finalization of the evaluation record.

The Office further recognizes that boards operate under varying meeting schedules and administrative structures. The regulation establishes a uniform 60-day response period to promote administrative consistency and timely completion of the evaluation process while still providing boards with an opportunity to place matters on a public meeting agenda where necessary and provide written responses, clarification, or supporting information within existing operational and Open Meeting Law requirements. The Office determined that maintaining a consistent response timeframe across boards is necessary to support timely administrative oversight and accountability.

New Provision Requested

Waiver or Variance Process

Requested Changes: Add a provision allowing boards to request waivers or variances from specific requirements due to undue hardship or extenuating circumstances.

Office Response: Not accepted.

Office Reason: The Office acknowledges concerns regarding differences in board size, staffing, and administrative capacity, including requests for flexibility in cases of hardship. However, the Office determined that a waiver or variance provision is not appropriate within this regulation.

The regulation establishes uniform administrative standards applicable to all boards pursuant to NRS 232.8413 and NRS 232.8415. The statutes do not provide for a discretionary waiver or exemption process, and the inclusion of such a provision could result in inconsistent application of statewide standards and reduced administrative uniformity.

The Office further determined that concerns related to administrative burden are more appropriately addressed through implementation practices, including the use of existing reports, limiting duplicative requirements, and providing administrative guidance, rather than through regulatory exemptions.

These provisions maintain consistency while allowing practical implementation aligned with the Office's statutory responsibilities.

This concern is addressed in Sections 13, 18, and 19 of LCB File No. R074-25, as revised.

General Comment

Virtual Hearing Request

Requested Change: Provide virtual or online access for the public hearing.

Office Response: Not accepted.

Office Reason: The public hearing was conducted in accordance with NRS 233B and applicable Open Meeting Law requirements, which do not require virtual participation. The Office provided reasonable opportunity for both written and in-person public comment. Written comment was accepted through the deadline, ensuring public participation regardless of physical attendance.

Office Did Not Consider Prior Feedback

Requested Change: Concerns that stakeholder feedback was not adequately considered.

Office Response: Not accepted.

Office Reason: The Office reviewed and considered all written and oral public comment received throughout the regulatory process. Revisions were made across multiple draft iterations (Initial Draft, Proposed Draft, RP1, RP2, and RP3) to address stakeholder feedback, improve clarity, and ensure alignment with statutory authority. Not all requested changes were incorporated where they were determined to be inconsistent with statutory requirements or the Office's mandates as enumerated in NRS 232.8415(1).

Failure to Incorporate Feedback

Requested Change: Commenters expressed concerns that stakeholder feedback was not meaningfully incorporated into subsequent drafts of the regulation and that the regulatory process lacked sufficient collaboration, dialogue, or explanation regarding why certain recommendations were not adopted.
Office Response: Partially accepted.
Office Reason: The Office is aware of concerns that were expressed regarding stakeholder perception of the collaborative process and recognizes that not all requested revisions were incorporated into the final regulation.
The Office conducted two public workshops and a public hearing, accepted written and oral public comment, and revised the regulation through multiple draft iterations, including an Initial Draft, a Proposed Draft, RP1, RP2, and RP3. Substantive revisions were made in response to stakeholder feedback, including revisions relating to administrative burden, reporting requirements, evaluation procedures, disciplinary terminology, transparency provisions, and clarification of the Office's oversight role.
The Office provided opportunities for public participation in accordance with NRS Chapter 233B and reviewed and considered all comments received through the close of the public hearing prior to finalizing the regulation. While workshops and hearings provide opportunities for public input, NRS Chapter 233B does not require the Office to engage in negotiated rulemaking, iterative dialogue, or consensus-based drafting during the workshop process.
Pursuant to NRS 233B.066(1)(f), where the Office determines that portions of the proposed regulation should be adopted without change, the Office is required to provide a summary of the reasons supporting

that determination. Accordingly, the Office evaluated all comments received and determined that certain requested revisions could not be incorporated where they were inconsistent with the Office's statutory responsibilities under NRS 232.8413 and NRS 232.8415, would conflict with existing statutory frameworks applicable to boards, or would undermine the establishment of uniform administrative standards across boards under the Office's purview.

The Office determined that the final regulation appropriately balances stakeholder input with the Office's statutory responsibilities under NRS 232.8413 and NRS 232.8415.

Additional Requested Change: Commenters stated that many boards already operate effectively and questioned whether additional administrative standards or oversight requirements are necessary.

Office Response: Not accepted.

Office Reason: The Office is aware of the comments that certain boards currently maintain effective administrative operations and existing internal practices.

However, NRS 232.8413 and NRS 232.8415 require the Office to establish uniform administrative standards applicable to boards within its purview. The statutory directive is not limited to boards experiencing operational deficiencies and does not provide for individualized standards based upon the current performance or operational structure of a particular board.

The Office determined that establishing consistent statewide administrative standards relating to transparency, reporting, investigations, internal controls, and oversight is necessary to fulfill its statutory responsibilities and promote uniformity, accountability, and consistency across all boards subject to the Office's authority.

Scope of Applicability and Supportive Provisions

Requested Change: Commenter expressed support for limiting the definition of "Board" to professional and occupational licensing bodies and for maintaining language clarifying that the Office does not direct the financial or operational activities of boards. The commenter also requested confirmation that the regulation is not intended to apply to entities outside the Office's statutory purview and should be interpreted consistently with the scope of NRS 232.8413 and NRS 232.8415.

Office Response: Accepted in part.

Office Reason: The Office acknowledges the commenter's support for provisions limiting the scope of the regulation and preserving the distinction between administrative oversight and operational control.

The definition of "Board" in Section 3 is consistent with the statutory scope set forth in NRS 232.8413 and NRS 232.8415 and is intended to apply to professional and occupational licensing boards within the Office's purview. The Office confirms that the regulation is not intended to expand the universe of entities subject to the Office's authority beyond those established by statute.

Additionally, Section 20 expressly clarifies that the Office does not direct the financial or operational activities of boards and does not impose corrective action beyond what is required by statute. This provision was incorporated during the RP2 stage of the regulation and retained in RP3.

The Office determined that these provisions appropriately reflect the statutory framework and ensure the regulation is implemented consistent with the scope and limitations set forth in NRS 232.8413 and NRS 232.8415.

Administrative Burden and Resource Constraints

Requested Change: Revise the regulation to account for differences in board size, staffing, funding, operational capacity, and available resources.

Office Response: Accepted in part.

Office Reason: The Office acknowledges concerns regarding administrative burden and recognizes that boards vary in size, staffing, funding, operational capacity, and available resources, particularly among smaller boards.

The regulation establishes uniform administrative standards, as required under NRS 232.8413 and NRS 232.8415, to promote consistency, transparency, and accountability across all boards within the Office's purview. The Office does not direct or control the financial or operational activities of boards. The statutory framework requires uniform standards and does not provide for individualized regulatory

requirements based on the size, staffing, or operational structure of a particular board.
However, in response to stakeholder feedback, the regulation was revised and clarified to reduce unnecessary administrative burden where practicable while maintaining consistency across boards. These revisions included:

- The Office revised and clarified reporting requirements to reduce unnecessary duplication and administrative burden where practicable.
- Clarified that existing statutory reports may be used to satisfy requirements where appropriate.
- Limited discretionary requests for additional information to matters reasonably related to the Office's statutory oversight responsibilities.

The Office determined that these revisions appropriately address concerns regarding administrative burden while preserving the uniform administrative standards required under NRS 232.8413 and NRS 232.8415 and maintaining consistency and accountability across all boards.

Administrative Burden / Fiscal Impact

Requested Change: Concerns raised that increased reporting requirements may require additional staffing and could result in increased fees to licensees.

Office Response: Accepted in part. These revisions were made in the Second Revised Proposed Regulation (R074-25RP2) and retained in the Third Revised Proposed Regulation (R074-25RP3), to reduce administrative burden while maintaining consistency across boards.

Office Reason: The Office is aware of concerns that were expressed regarding administrative burden and potential fiscal impact.

In response to stakeholder feedback, the regulation was revised to:

- Align reporting requirements with existing statutory obligations where practicable.
- Revise and clarify reporting requirements to reduce unnecessary duplication and administrative burden where practicable.
- Clarify that existing statutory reports and materials may be used to satisfy reporting requirements where appropriate.
- Limit additional information requests to matters reasonably related to administrative oversight and the Office's statutory responsibilities.

The Office determined that the final regulation reflects a balance between transparency, accountability, and administrative practicality. The requirements are administrative in nature and consistent with the Office's statutory responsibilities under NRS 232.8413 and NRS 232.8415. These revisions reflect changes made during the RP2 stage of the regulation to reduce duplication, align reporting requirements with existing statutory obligations, and improve administrative practicality, and were retained in RP3.

Additional Requested Change: Concerns that implementation timelines for website requirements, reporting obligations, and historical document posting requirements are unclear and may create compliance difficulties for boards with limited staffing and resources.

Office Response: Accepted in part.

Office Reason: The Office acknowledges concerns regarding implementation timelines and the administrative effort associated with compliance, particularly for smaller boards with limited staffing and technological resources.

The Office recognizes that boards vary in size, staffing, funding, and technological capabilities. The regulation establishes uniform administrative standards under NRS 232.8413 and NRS 232.8415, and the Office intends to work collaboratively with boards during implementation to promote consistency, administrative practicality, and compliance with the requirements of the regulation while maintaining accountability and transparency across boards.

Funding and Implementation Costs

Requested Change: Concerns that the regulation will require additional staffing, technology upgrades, and ongoing operational costs for boards. Requests that the Office identify and secure funding to support implementation and avoid increased fees to licensees.

Office Response: Accepted in part.

Office Reason: The Office is aware of concerns that were expressed regarding administrative burden, implementation costs, and potential fiscal impact on boards. In response to stakeholder feedback, the regulation was revised to reduce duplication, align reporting requirements with existing statutory obligations, and limit additional administrative workload where practicable. These revisions were made in the Second Revised Proposed Regulation (R074-25RP2) and retained in the Third Revised Proposed Regulation (R074-25RP3).

The Office does not direct or control the financial operations of boards and does not have statutory authority to appropriate or allocate funding. Boards retain responsibility for managing their financial resources in accordance with applicable statutes.

The regulation establishes uniform administrative standards pursuant to NRS 232.8413 and NRS 232.8415 and is administrative in nature. The Office will continue to implement these requirements in a manner that is practical and mindful of board resources while maintaining consistency, transparency, and accountability across all boards.

Small Business Impact Study

Requested Change: Commenters asserted that the Small Business Impact Statement was insufficient and stated that the analysis should have been conducted by a knowledgeable employee or through the use of a consultant or independent contractor, and in consultation with small businesses likely to be affected.

Office Response: Not accepted.

Office Reason: The Office acknowledges concerns regarding the Small Business Impact Statement prepared in connection with the regulation.

As stated in the Notice of Intent to Act Upon a Regulation, the Office determined that the proposed regulation presents no reasonably foreseeable or anticipated adverse economic effects to small businesses because the regulation is administrative in nature and applies to the internal governance, reporting, and operational standards of public occupational and licensing boards under the Office's statutory purview.

The Office further determined, in consultation with legal counsel, that the proposed regulation does not require the retention of a consultant, independent contractor, or outside expert in preparing a Small Business Impact Statement. The Office reviewed the anticipated administrative and operational impacts associated with implementation of the regulation through internal administrative review and consultation with legal counsel, including staffing, reporting, technology, and compliance considerations raised during the public comment process.

The Office additionally determined that the regulation does not directly regulate private small businesses, impose new occupational licensing requirements on small businesses, establish new fees applicable to small businesses, or regulate the day-to-day operations of private businesses or licensees. The regulation applies to the administrative governance, reporting, transparency, and operational standards of public occupational and professional licensing boards under the Office's statutory purview.

To the extent commenters asserted that indirect administrative impacts to boards could ultimately affect licensees or businesses regulated by those boards, the Office determined that any such potential impact would be indirect, speculative, and too attenuated from the actual requirements of the regulation to constitute a reasonably foreseeable adverse economic effect on small businesses under NRS 233B. The Small Business Impact Statement prepared by the Office was therefore determined to satisfy the applicable requirements of NRS 233B and appropriately reflect the nature and scope of the proposed regulation.

Scope of Regulation and Office Authority

Requested Change: Concerns that the regulation does not adequately define the structure, powers, and responsibilities of the Office and instead focuses primarily on the duties of boards. Requests revisions to further delineate the role of the Office and define key statutory terms.

Office Response: Not accepted.

Office Reason: The Office acknowledges concerns regarding the scope of the regulation and the level of detail provided regarding the structure and authority of the Office.

NRS 232.8413 and NRS 232.8415 establish the Office and define its duties relating to the regulation of occupations and professions and professional and occupational licensing boards under the purview of the Office. The statutes do not require the Office to define its own structure, powers, or internal organization by regulation. Rather, the statutes direct the Office to adopt regulations and procedures necessary to administer its responsibilities.

Pursuant to NRS 232.8415, those responsibilities include centralized administration and the establishment of uniform standards for investigations, licensing and discipline, internal controls, legal representation, structural requirements, transparency, consumer protection, and administrative efficiency for boards within the Office's purview.

Accordingly, the regulation is properly focused on implementing those statutory duties by establishing uniform administrative standards applicable to boards. The regulation is not intended to restate or expand upon statutory provisions governing the structure or authority of the Office itself.

The Office determined that the scope and structure of the regulation are consistent with the statutory directive and appropriately implement the responsibilities assigned to the Office under NRS 232.8413 and NRS 232.8415. The Office is required to establish standards for boards pursuant to statute and is not required to define the structure or internal operations of the Office beyond what is set forth in statute.

Closing

The Office is required under NRS 232.8413 and 232.8415 to establish uniform administrative standards applicable to all boards within its purview. While the Office recognizes that boards vary in size, staffing, and resources, the statute does not provide for individualized standards based on those differences.

Throughout the regulatory process, the Office provided multiple opportunities for written and oral public comment and made substantive revisions to address concerns where appropriate. However, it is not feasible to accommodate all requested changes, particularly where doing so would conflict with the Office's statutory responsibilities or undermine the goal of uniformity.

The final regulation reflects a balance between stakeholder input and the Office's obligation to implement consistent, statewide standards. The Office remains committed to working with boards in the implementation of these requirements in a manner that is practical and supportive, while fulfilling its statutory duties.

June 19, 2026

Dear Chairwoman Jauregui,

The Nevada Board of Applied Behavior Analysis respectfully requests consideration of the following concerns prior to approval of ***LCB File No. R074-25.***

The Board recognizes that NRS 232.8413 and NRS 232.8415 authorize the development of regulations intended to improve *consistency, transparency, and administrative coordination* among Nevada's licensing boards. We support those goals. However, several provisions within the proposed regulations raise significant concerns regarding statutory authority, implementation feasibility, and alignment with legislative intent.

While portions of the proposed regulations appear consistent with the authority granted by the Legislature, other provisions move beyond administrative oversight and into operational governance of independent licensing boards. Nevada's licensing boards are creatures of statute, and the Legislature has assigned them independent regulatory authority within their respective practice areas. As proposed, several provisions risk shifting that authority to the Office of Boards and Commissions in ways not expressly contemplated by statute.

Broad statutory concepts such as "centralized administration," "uniform standards," and "oversight" remain open to interpretation. How those terms are implemented matters. Several proposed provisions rely on undefined or subjective standards, including terms such as "best practices," "adequate internal controls," "sufficient transparency," and "timely response," creating uncertainty regarding compliance expectations and consistent enforcement.

The Board is particularly concerned with provisions that prescribe detailed operational requirements unrelated to statutory duties, including mandatory attendance requirements for board members, prescriptive website content and design standards, required internal control structures, performance evaluation criteria, and investigative procedures that may conflict with processes outlined in NRS Chapters 622 and 622A. During the hearing process, boards repeatedly raised concerns regarding investigative timelines not found in statute, complaint categorization requirements, hearing officer independence, and procedural mandates that could alter established disciplinary processes.

The proposed regulations also present substantial implementation concerns. Nevada's licensing boards vary significantly in size, staffing, funding, and statutory mission. A one-size-fits-all approach may impose disproportionate administrative burdens on smaller or largely volunteer boards without corresponding improvements in consumer protection or operational efficiency. Expanded requirements for website management, complaint tracking, reporting, training, documentation, and internal controls may require resources that many boards do not currently possess.

Additionally, the absence of a meaningful small business or economic impact analysis is concerning. Licensing boards are funded almost entirely through license fees. Increased administrative obligations will likely result in increased operational costs, which may ultimately affect licensees and the businesses and consumers they serve. Regulations should be reasonably related to statutory purpose and feasible to implement in practice.

Recent communications from the Office of Boards and Commissions indicating limitations in staffing and resources further underscore concerns regarding implementation feasibility and the potential for unfunded mandates. If the Office itself currently lacks capacity to support compliance efforts, additional consideration should be given to the practical impact these requirements will have on independent boards.

The Nevada Board of Applied Behavior Analysis believes the goals of consistency, transparency, and accountability can be achieved through continued collaboration and refinement of the proposed regulations. With additional stakeholder engagement and revisions responsive to board concerns, the regulations could better align with legislative intent while preserving the statutory independence of Nevada's licensing boards.

For these reasons, the Nevada Board of Applied Behavior Analysis respectfully requests that approval of LCB File No. R074-25 be deferred pending further review, stakeholder engagement, and revision.

Thank you for your consideration.

Stephanie Huff

Stephanie Huff, President
Nevada Board of Applied Behavior Analysis

Materials for Item No. 8

STATE OF NEVADA

DEPARTMENT OF TAXATION

MAIN OFFICE
3850 Arrowhead Drive
Carson City, Nevada 89706

JOE LOMBARDO
Governor

GEORGE KELESIS
Chair, Nevada Tax Commission

SHELLIE HUGHES
Executive Director

Posted May 22, 2026

NOTICE OF INTENT TO ACT UPON A REGULATION

Notice of Hearing for the Adoption of

LCB File No. R085-26

Nevada Tax Commission

The Nevada Tax Commission will hold a Public Hearing at **9:00 a.m**. on **Thursday, June 25, 2026.** The purpose of the hearing is to receive comments from all interested parties regarding the adoption of the proposed permanent regulation that pertains to LCB File No. R085-26.

You may attend this meeting at either of the following physical locations:

Nevada Department of Taxation
700 E. Warm Springs Rd., Room 150
Las Vegas, Nevada 89119

Nevada Department of Taxation
9850 Double R Blvd., Ste. 101
Reno, NV 89521

The following information is provided pursuant to the requirements of NRS 233B.0603:

1. <u>Need and purpose of the proposed permanent regulations or amendments</u>

LCB File No. R085-26, establishes requirements related to taxation; combines into one section of Nevada Administrative Code certain rules governing the furnishing of tangible personal property by a mortician; clarifies the application of sales and use taxes to the entire charge by a dispensing optician for eyeglasses and related products furnished in filling a prescription; revises a calculation used to determine the circumstances under which food sold by a retailer is subject to sales and use tax as prepared food intended for immediate consumption; revises the information that a retailer is required to include on a receipt provided to a purchaser of tangible personal property; updates references to sections of the Nevada Revised Statutes that have been reorganized; repeals a provision providing that sales tax does not apply when an owner of property bids on that property at an auction; removes provisions governing an application for an obsolete sales and use tax exemption for aircraft and major components of aircraft; and provides other matters properly relating thereto.

The proposed permanent regulation is intended to modernize Nevada's sales and use tax regulations by consolidating related provisions, clarifying existing tax obligations, improving transparency in retail transactions, and removing outdated or invalid regulatory language. The amendments enhance administrative clarity and ensure consistency with current statutory law.

2. How to obtain the approved or revised text of regulations prepared by LCB

You may obtain a copy of the proposed permanent regulation by writing to the Nevada Department of Taxation, 3850 Arrowhead Drive, Carson City, Nevada 89706; or by calling the office at (775) 684-2041. The proposed permanent regulation is also available for review and download on the Department of Taxation's website at https://tax.nv.gov/ or on the Nevada Legislature's website at https://www.leg.state.nv.us/.

3. Methods used in determining the impact on a small business

The agency used informed, reasonable judgment in determining that there will not be an impact on small businesses. The Department prepared a small business impact questionnaire that was forwarded to the Department's Interested Parties List. No comment was returned by members of the public.

The Department will continue to accept input on the impact of the proposed permanent regulation on small businesses through the regulatory process.

The Department held a workshop on April 16, 2026, for members of the public to state their concerns and submit correspondence regarding the regulation. Prior to the workshop, public comment was received from a member of the public. The commenter opposed the amendment to NAC 372.320(2), stating that it would allow a regulation to override licensing requirements in NRS Chapter 637 and improperly shift authority from the Nevada State Board of Dispensing Opticians to the Department of Taxation. They also argue that the proposal misapplies Executive Order 2023-003, which prohibits regulatory changes that hinder economic growth or affect public safety, and assert that the change would disadvantage Nevada-licensed businesses and enable unlicensed activity. The Department considered the comments and determined that no change is required.

4. Estimated economic effect of regulation on businesses and the public

   a. Adverse and beneficial effects

The proposed permanent regulation does not present any reasonable, foreseeable or anticipated adverse or beneficial economic effects on small businesses or the public.

   b. Immediate and Long-Term effects

The proposed permanent regulation does not present any reasonable, foreseeable or anticipated immediate or long-term economic effects on small businesses or the public.

5. Cost for enforcement of the regulations

The proposed permanent regulation does not present any significant, foreseeable or anticipated cost or decrease in costs for enforcement.

6. Overlap or duplication of other state or local governmental agencies

The proposed permanent regulation does not overlap or duplicate any regulation of other state or local governmental entities.

7. Regulation required by federal law

Not Applicable.

8. More stringent than federal regulations

The Department is not aware of any similar federal regulations of the same activity in which the state regulations are more stringent.

9. New or increases in existing fees

The proposed permanent regulation does not include new fees or increase an existing fee.

Persons wishing to comment on the proposed action of the Nevada Tax Commission may appear at the above scheduled public hearing or may address their comments, data, views, or arguments, in written form, to the Nevada Tax Commission, 3850 Arrowhead Drive, Carson City, Nevada 89706. Written submissions must be received at least two weeks prior to the above scheduled public hearing.

Under NRS 233B.064(2), when adopting any regulation, the Agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption and incorporation, and its reason for overruling the consideration urged against its adoption.

A copy of the Notice and the proposed permanent regulation to be adopted and/or amended is on file and has been posted at the following location: The Department of Taxation - 3850 Arrowhead Drive, Carson City, Nevada 89706.

Members of the public may inspect these documents during regular business hours at the above location. Additional copies of the notice and proposed permanent regulation to be adopted and/or amended are available at the below locations.

The text of the proposed permanent regulation will include the entire text of any section of the Nevada Administrative Code, which is proposed for amendment or repeal. Copies will be mailed to members of the public upon request. A reasonable fee may be charged for copies if deemed necessary.

Notice has been EMAILED for posting at the following locations:
Department of Taxation - 9850 Double R. Blvd, Ste. 101, Reno, Nevada, 89521; Department of Taxation - 700 E. Warm Springs Rd, Ste 200, Las Vegas, Nevada, 89119; The Legislative Building – 401 S. Carson St., Carson City, Nevada; 7120 Amigo St., Las Vegas, Nevada; The Nevada State Library -100 Stewart Street, Carson City, Nevada; Interested Parties Group maintained by the Department. Notice of this meeting was posted on the Department of Taxation website at https://tax.nv.gov/, on the Legislative website at https://www.leg.state.nv.us/, and the Nevada Public Notice Website at https://notice.nv.gov/.

In compliance with the Americans with Disabilities Act, individuals requiring special accommodations to participate in this hearing should notify Kari Skalsky at 775-684-2041 or kskalsky@tax.state.nv.us at least 3 days before the hearing. In order to comply with the security procedures of the Department, you will be required to show identification and sign a visitor's log prior to entering the meeting room.

If you need an accommodation in order to communicate during the hearing, the Department will provide one at no cost to you. Arrangements for an interpreter should be made as soon as possible, but no later than 14 days before the scheduled meeting. Please contact Kari Skalsky at 775-684-2041 at least 14 days in advance to request an interpreter in your preferred language. You may also submit your request to kskalsky@tax.state.nv.us.

Si necesita una ayuda para comunicarse durante la audiencia, el Departamento se lo proporcionará sin costo alguno. Los trámites para conseguir un intérprete deben hacerse lo antes posible, pero a más tardar 14 días antes de la cita programada. Por favor, póngase en contacto con Kari Skalsky al 775-684-2041 con al menos 14 días de anticipación para solicitar un intérprete en su idioma de preferencia. También puede solicitarlo a través de kskalsky@tax.state.nv.us.

REVISED PROPOSED REGULATION OF

THE NEVADA TAX COMMISSION

LCB File No. R085-26

April 21, 2026

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

AUTHORITY: §§ 1, 2 and 5-8, NRS 360.090 and 372.725; § 3, NRS 360.090, 360B.110, 372.284 and 372.725; § 4, NRS 360.090, 372.195 and 372.725.

A REGULATION relating to taxation; combining into one section of the Nevada Administrative Code certain rules governing the furnishing of tangible personal property by a mortician; clarifying the application of sales and use taxes to the entire charge by a dispensing optician for eyeglasses and related products furnished in filling a prescription; revising a calculation used to determine the circumstances under which food sold by a retailer is subject to sales and use tax as prepared food intended for immediate consumption; revising the information that a retailer is required to include on a receipt provided to a purchaser of tangible personal property; updating references to sections of the Nevada Revised Statutes that have been reorganized; repealing a provision providing that sales tax does not apply when an owner of property bids on that property at an auction; removing provisions governing an application for an obsolete sales and use tax exemption for aircraft and major components of aircraft; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law imposes a sales tax on the gross receipts of a retailer from the retail sale of tangible personal property in this State. (NRS 372.105, 374.110, 374.111) Under existing law, with certain exceptions, a retailer who makes a retail sale of tangible personal property in this State is required to collect the sales tax from the purchaser at the time of the purchase. (NRS 372.110, 374.115) Existing law also imposes a use tax on the storage, use or consumption of tangible personal property in this State. (NRS 372.185, 374.190, 374.191)

Existing regulations establish rules governing the applicability of sales and use taxes on tangible personal property furnished by a mortician in connection with the services provided by the mortician. (NAC 372.280-372.300) **Section 8** of this regulation repeals rules governing the applicability of such taxes to tangible personal property furnished by a mortician when a death occurs in this State but burial occurs outside this State, when a death occurs outside this State but burial occurs in this State and when the funeral expenses are paid by the United States or any other governmental entity. (NAC 372.290, 372.300) **Section 1** of this regulation reenacts these rules in an existing section of the Nevada Administrative Code. Thus, **sections 1 and 8** combine into one section the rules governing the applicability of sales and use taxes to tangible personal property furnished by a mortician in connection with the services provided by the mortician.

Under existing regulations, when a dispensing optician furnishes eyeglasses and related products in filling a prescription, the sale is considered a retail sale of tangible personal property and the entire charge by the dispensing optician is subject to sales tax. (NAC 372.320) **Section 2** of this regulation clarifies that the sales tax applies to the furnishing of eyeglasses and related products whether or not a licensed dispensing optician sells the eyeglasses and related products.

Existing law exempts from sales and use tax food for human consumption except that sales and use tax is imposed on prepared food intended for immediate consumption. (NRS 372.284, 374.289) Under existing law, food that is sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins or straws, is prepared food intended for immediate consumption and, thus, subject to sales and use tax. (NRS 360B.460) Existing regulations establish different criteria for determining whether food is sold with eating utensils provided by the seller, and the criteria applicable to a seller is based on the percentage of the total dollar value of food sold by a seller that is prepared food. (NAC 372.607) **Section 3** of this regulation removes dietary supplements from this calculation. Under existing law, dietary supplements are not considered to be food and, thus, are subject to sales and use tax. (NRS 360B.445, 360B.495, 372.284, 374.289)

Existing law includes in the sales price used to calculate sales and use tax the amount of certain price reductions or discounts for which the seller receives reimbursement from a third party. Among other criteria required for such a price reduction or discount to be included in the sales price, existing law requires the price reduction or discount to be identified as a third-party price reduction or discount on the invoice received by the purchaser or on a coupon, certificate or other documentation presented by the purchaser. (NRS 360B.480) **Section 4** of this regulation amends the requirements of existing regulations for the information that must be included on a receipt given to a purchaser to additionally require the receipt to state separately the amount of any manufacturer's rebate, any buy down of a sales price by a supplier of the retailer or any third-party price reduction or discount. (NAC 372.770)

Existing law requires a person conducting business in this State as a seller of tangible personal property to register with, or obtain a permit from, the Department of Taxation to collect sales and use tax in this State. (NRS 360.5971) Senate Bill No. 441 of the 2021 Legislative Session consolidated into one provision multiple provisions of law governing such registrations and permits. (Chapter 342, Statutes of Nevada 2021, at page 2007) **Sections 5-7** of this regulation update references in existing regulations to those provisions of law governing registration and permits to collect sales and use tax in this State.

In 1997, the Nevada Supreme Court held that a sales and use tax exemption for the gross receipts from the sale of aircraft and major components of aircraft to an air carrier that maintains its central office and bases a majority of its aircraft in Nevada was unconstitutional because it discriminated against interstate commerce. (*Worldcorp v. State, Dep't of Taxation*, 113 Nev. 1032 (1997)) Assembly Bill No. 161 of the 2015 Legislative Session repealed this exemption and related provisions governing the administration of the exemption. (Section 12 of Assembly Bill No. 161, chapter 406, Statutes of Nevada 2015, at page 2336) **Section 8** removes an obsolete regulation requiring an air carrier which desires to qualify for this exemption to file a written application on a form prescribed by the Department and submit evidence of its eligibility for the exemption. (NAC 372.715)

Section 8 also repeals an existing regulation that provides that sales tax does not apply when an owner delivers property to an auctioneer and bids on that property at the auction. (NAC 372.110)

Section 1. NAC 372.280 is hereby amended to read as follows:

372.280 1. Morticians are the retailers of the tangible personal property which they furnish in connection with rendering their services. The tax applies to the sale by the mortician of all tangible personal property so furnished.

2. The tax applies to:

(a) The fair retail value of clothing, boxes, vaults and any other property furnished in addition to that customarily furnished with standard service.

(b) Acknowledgment cards and appreciation cards, when furnished as part of the regular service, or when the family is charged for them.

(c) All other items of tangible personal property which are furnished by the mortician, computed upon 50 percent of the remainder of the charge for the funeral, except as provided in subsection 3.

3. If the items of tangible personal property are segregated in the billings to customers and specific charges are made, the tax applies to the charges.

4. The tax does not apply to accommodation cash advances for such items as cemetery charges, newspaper notices, railroad tickets, ministerial fees and flowers.

5. When death occurs in this State and burial is to occur in another state, the casket and other personal property purchased in this State for the preparation and delivery of the body to its ultimate burial destination are subject to Nevada sales tax.

6. Where burial occurs in this State, through ashes in urn, entombment in mausoleum or ground burial, the casket, urn or other materials purchased outside this State are not

purchased for use in Nevada and are not subject to use tax. The taxable use has occurred outside this State.

7. If a portion of the expense of a funeral is paid by the United States directly to the mortician, the transaction is regarded as a sale to the United States and is exempt from the tax to the extent of the payment.

8. Payment to a relative or other person as reimbursement for a portion of the funeral expense is not a sale to the United States and is not exempt from the tax.

9. In cases where the family assigns the death benefits due from the Department of Veterans Affairs or the Social Security Administration to the mortician, the United States is not considered the purchaser and no part of the transaction is considered a tax-exempt sale to the United States.

10. Only when the governmental agency makes a payment directly to the mortician is that portion of the funeral expense considered exempt from the tax.

Sec. 2. NAC 372.320 is hereby amended to read as follows:

372.320 1. Oculists and optometrists are the consumers of ophthalmic materials including eyeglasses, frames and lenses used or furnished in the performance of their professional services in the diagnosis, treatment or correction of conditions of the human eye. The tax applies to the sale of the materials to oculists and optometrists.

2. The tax applies to the entire charge made by a dispensing optician for eyeglasses and related products furnished in filling a prescription ~~[.]~~ ***, whether or not the dispensing optician is licensed pursuant to chapter 637 of NRS.***

Sec. 3. NAC 372.607 is hereby amended to read as follows: