

# Quarterly Business Report

Volume 1, Issue 6  
Third Quarter 2009

## Dear Readers:

By the time you receive this Quarterly Business Report, my office will have taken over the responsibility for issuing the State Business License from the Department of Taxation. I'm pleased to report that my office was geared up and ready October 1<sup>st</sup> to take over this major program, even though my office received no new state funding for the transition. Our plan is to make the business license application, renewal, and payment process as simple and seamless as it can be for you. We would appreciate any feedback you might have on how well you think we're doing, whether you conduct your business with us online or visit one of our offices.

We've also conducted a lot of public outreach about the business license program, so we're hoping you're already well aware of the changes and how they impact you and your business. The details are available by clicking on the State Business License Information button at [www.nvsos.gov](http://www.nvsos.gov). I encourage you to become familiar with the details. We look forward to working with you now and in the future as we take over responsibility for issuing the State Business License. (Please turn the page to see what the new State Business License looks like.)

I also encourage you to read the article in this report about federal legislation that could significantly impact you and your business. Senate Bill 569 places new burdens on corporations to provide information to the state. The idea is that the new reporting requirements will help law enforcement detect and prevent terrorism-related money laundering activities. While I agree that such crimes must be aggressively investigated, I believe the United State Congress is taking the wrong approach...please read more inside this report.

As always, we encourage you to visit our website at [www.nvsos.gov](http://www.nvsos.gov) for all the current information of interest to you and your business colleagues. And our Customer Service staff is always standing by if you have questions we can answer. We look forward to serving you.



## Nevada 2010 Census It's In Our Hands...

Secretary of State Miller will be promoting the benefits of a complete 2010 Census count in Nevada.

The state demographer says the state loses \$917 in federal funds for every person who is not counted. Secretary Miller told legislators last week that there is too much at stake to not make every effort to make sure everyone is counted.

Nevada had the 5th worst response rate in the country in 1990, but showed the best improvement of any state in 2000.

The Secretary of State's Office will launch the public outreach campaign early next year.

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# Important Legislation Will Impact Your Business

Secretary Miller is encouraging all Nevada business owners to contact their members of Congress regarding S.569, the Incorporation Transparency and Law Enforcement Assistance Act. Also known as the Levin bill, after sponsor Sen. Carl Levin, the legislation will place onerous new requirements on all Nevada businesses. It establishes uniform requirements for states relating to the disclosure of beneficial owners of corporations and LLC's. A beneficial owner is defined as an individual who has a level of control over a business entity that enables the person to control, manage, or direct the entity. The bill also allows federal officials to investigate a business for suspected money-laundering or other terrorism-related activity without the business' knowledge.

Secretary Miller has written a letter to Sen. Joe Liebermann, Chair of the Homeland Security and Governmental Affairs Committee, and Nevada's Congressional delegation opposing the bill, saying that Nevada state law already gives law enforcement adequate access to businesses in the event of a criminal investigation. Sen. John Ensign is a member of the Committee.

Secretary Miller's letter and a letter to Sen. Liebermann from the National Association of Secretaries of State can be found at [www.nass.org](http://www.nass.org). A hearing on the bill has not yet been scheduled.

## Other Business-Related News



**The new  
Nevada State Business License**

### Final Notary Classes for 2009

**October 14, 1 pm – 5 pm**

**October 15, 8 am – noon**

**November 4, 2009, 1 pm – 5pm**

**November 5, 2009, 8 am – noon**

**December 9, 2009, 1 pm – 5 pm**

**December 10, 2009, 8 am – noon**

**All classes will be held at:**

**The Gold Coast**

**40000W. Flamingo Rd**

**Las Vegas**

### Did you know...

**...that the Secretary of State's staff will come to your office to provide in-house notary training? The training lasts 4 hours and a minimum class of 50 is required, as is A/V capability. Participants get 10% off the \$45 per person fee. Call 684-5708 for more information.**

## News from the **Securities Division**



Nevada Securities Administrator, Carolyn Ellsworth, attended the 92<sup>nd</sup> Annual Conference of the North American Securities Administrators Association (NASAA) as Nevada's member of that venerable organization. The subject of the conference was "The State of Regulatory Reform: Putting Investors First". Through NASAA, Nevada joins the other 49 states, Canada and Mexico in advocating for regulatory reform that enhances the states' individual rolls in protecting Main Street investors at a time when federal regulatory gatekeepers were asleep at the switch. Nevada supports a NASAA proposal to shift the oversight of investment advisors who manage up to \$100 million in assets to the states. Currently, State regulators oversee only those investment advisors who have up to \$25 million under management.

### ENFORCEMENT ACTIONS

Securities Division investigators took a dozen enforcement actions in the third quarter, from revoking the licenses of securities sales representatives to issuing cease and desist orders and collecting civil penalties from international banks as a result of the auction rate securities scandal.

Following an investigation by the Securities Division, the attorney general's office convicted 43-year old Todd Kitchens of securities fraud. His company was called Innovative Real Estate Investments. Kitchens was ordered to pay nearly a quarter of a million dollars in restitution to his victims.

## News from the **Elections Division**



Copies of initiative petitions to amend the Nevada State Constitution may be filed with Secretary of State Ross Miller's office as of Tuesday, September 1<sup>st</sup>. Supporters may then begin circulating the petitions for signatures under new requirements adopted by the 2009 State Legislature

The legislature changed the method for collecting signatures of registered voters. Previously, petitioners were required to collect a minimum number of signatures from voters in each county. Under Senate Bill 212, petitioners must now collect a minimum number of signatures in each of three petition districts. The boundaries of the petition districts are the same as Nevada's three Congressional Districts.

Deputy Secretary for Elections Matt Griffin said the parameters that determine the number of required signatures have not changed, but because of extraordinarily high voter turnout in the last general election, the real number of signatures that will be required to get an initiative petition on the ballot has increased by 60%. Circulators must still collect a number of signatures from registered voters that equals at least 10% of the turnout in the most recent general election. In the 2008 election cycle, 58,628 signatures were required. In the 2010 cycle, 97,002 signatures will be required, an increase of 38,374 signatures.

Under the new requirements of SB 212, 24,943 signatures must be collected in Congressional District 1; 34,479 signatures in CD 2; and 37,560 in CD 3. An additional 20 signatures must be gathered in Clark County in any of the petition districts. These numbers were determined by the Secretary of State's Office in consultation with the Attorney General's office.

Supporters of petitions to amend the State Constitution have until August 4, 2010 to collect signatures.



Secretary Miller addressed the participants in the state's 2009 Certified Public Manager Program meeting in a legislative hearing room in Carson City. CPM is a nationally-accredited leadership development program for public managers and supervisors. The vision of the CPM Program is to develop "world class leaders and managers for public service."