

SENATE BILL NO. 488—COMMITTEE ON LEGISLATIVE
OPERATIONS AND ELECTIONS

MARCH 29, 2005

Referred to Committee on Government Affairs

SUMMARY—Makes various changes concerning adoption of certain rules and regulations affecting business. (BDR 19-1294)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: No.

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

AN ACT relating to administrative procedure affecting businesses; making various changes concerning the adoption of certain rules and regulations affecting business; and providing other matters properly relating thereto.

THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- 1 **Section 1.** NRS 237.080 is hereby amended to read as follows:
2 237.080 1. Before adopting a proposed rule, the governing
3 body of a local government ~~{shall determine}~~ :
4 ***(a) Must afford trade associations or owners and officers of***
5 ***businesses that are likely to be affected by the proposed rule a***
6 ***reasonable opportunity to submit data or arguments as to whether***
7 ***the proposed rule will:***
8 ***(1) Impose a direct and significant economic burden upon***
9 ***a business; or***
10 ***(2) Directly restrict the formation, operation or expansion***
11 ***of a business; and***
12 ***(b) Shall determine*** whether the proposed rule is likely to:
13 ~~{(a)}~~ ***(1) Impose a direct and significant economic burden upon***
14 a business; or
15 ~~{(b)}~~ ***(2) Directly restrict the formation, operation or expansion***
16 of a business.



2. If the governing body of a local government determines pursuant to subsection 1 that a proposed rule is likely to impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business, the governing body shall ~~[-~~:

~~—(a) Insofar as practicable, consult with trade associations or owners and officers of businesses that are likely to be affected by the proposed rule.~~

~~—(b) Consider~~ **consider** methods to reduce the impact of the proposed rule on businesses, including, without limitation:

~~{(1)}~~ **(a)** Simplifying the proposed rule;

~~{(2)}~~ **(b)** Establishing different standards of compliance for a business; and

~~{(3)}~~ **(c)** Modifying a fee or fine set forth in the rule so that a business is authorized to pay a lower fee or fine.

~~{(c) Prepare}~~

3. After making a determination pursuant to subsection 1, the governing body of a local government shall prepare a business impact statement ~~. {and make copies of the statement available to any interested person before holding a hearing to adopt the rule.}~~

Sec. 2. NRS 237.090 is hereby amended to read as follows:

237.090 **1.** A business impact statement prepared pursuant to NRS 237.080 must **be considered at any hearing conducted to adopt a proposed rule and** set forth the following information:

~~{1-}~~ **(a)** A description of the manner in which comment was solicited from affected businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

~~{2-}~~ **(b)** The estimated economic effect of the proposed rule on the businesses which it is to regulate, including, without limitation:

~~{a)}~~ **(1)** Both adverse and beneficial effects; and

~~{b)}~~ **(2)** Both direct and indirect effects.

~~{3-}~~ **(c)** A description of the methods that the governing body of the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether the governing body actually used any of those methods.

~~{4-}~~ **(d)** The estimated cost to the local government for enforcement of the proposed rule.

~~{5-}~~ **(e)** If the proposed rule provides a new fee or increases an existing fee, the total annual amount the local government expects to collect and the manner in which the money will be used.

~~{6-}~~ **(f)** If the proposed rule includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, an explanation of why such duplicative or more stringent provisions are necessary.



1 ***2. The governing body of a local government shall not***
2 ***include the adoption of a proposed rule on the agenda for a***
3 ***meeting unless a business impact statement has been prepared and***
4 ***is available for public inspection at the time the agenda is first***
5 ***posted.***

6 **Sec. 3.** NRS 233B.0603 is hereby amended to read as follows:

7 233B.0603 1. The notice of intent to act upon a regulation
8 must:

9 (a) Include:

10 (1) A statement of the need for and purpose of the proposed
11 regulation.

12 (2) Either the terms or substance of the proposed regulation
13 or a description of the subjects and issues involved.

14 (3) A statement of the estimated economic effect of the
15 regulation on the business which it is to regulate and on the public.
16 These must be stated separately and in each case must include:

17 (I) Both adverse and beneficial effects; and

18 (II) Both immediate and long-term effects.

19 (4) ***A statement identifying the methods used by the agency***
20 ***in determining the impact on a small business prepared pursuant***
21 ***to subsection 3 of NRS 233B.0608.***

22 (5) The estimated cost to the agency for enforcement of the
23 proposed regulation.

24 ~~(5)~~ (6) A description of any regulations of other state or
25 local governmental agencies which the proposed regulation overlaps
26 or duplicates and a statement explaining why the duplication or
27 overlapping is necessary. If the regulation overlaps or duplicates a
28 federal regulation, the notice must include the name of the
29 regulating federal agency.

30 ~~(6)~~ (7) If the regulation is required pursuant to federal law,
31 a citation and description of the federal law.

32 ~~(7)~~ (8) If the regulation includes provisions which are more
33 stringent than a federal regulation that regulates the same activity, a
34 summary of such provisions.

35 ~~(8)~~ (9) The time when, the place where and the manner in
36 which interested persons may present their views regarding the
37 proposed regulation.

38 (b) State each address at which the text of the proposed
39 regulation may be inspected and copied.

40 (c) Include an exact copy of the provisions of subsection 2 of
41 NRS 233B.064.

42 (d) Include a statement indicating whether the regulation
43 establishes a new fee or increases an existing fee.



(e) Be mailed to all persons who have requested in writing that they be placed upon a mailing list, which must be kept by the agency for that purpose.

(f) Be submitted to the Legislative Counsel Bureau for inclusion in the Register of Administrative Regulations created pursuant to NRS 233B.0653. The publication of a notice of intent to act upon a regulation in the register does not satisfy the requirements for notice set forth in paragraph (e) of this subsection.

2. The Attorney General may by regulation prescribe the form of notice to be used.

3. In addition to distributing the notice to each recipient of the agency's regulations, the agency shall also solicit comment generally from the public and from businesses to be affected by the proposed regulation.

Sec. 4. NRS 233B.0608 is hereby amended to read as follows:

233B.0608 1. Before conducting a workshop for a proposed regulation pursuant to NRS 233B.061, an agency shall determine whether the proposed regulation is likely to:

(a) Impose a direct and significant economic burden upon a small business; or

(b) Directly restrict the formation, operation or expansion of a small business.

2. If an agency determines pursuant to subsection 1 that a proposed regulation is likely to impose a direct and significant economic burden upon a small business or directly restrict the formation, operation or expansion of a small business, the agency shall:

(a) ~~Insofar as practicable, consult~~ **Consult** with owners and officers of small businesses that are likely to be affected by the proposed regulation.

(b) Consider methods to reduce the impact of the proposed regulation on small businesses, including, without limitation:

(1) Simplifying the proposed regulation;

(2) Establishing different standards of compliance for a small business; and

(3) Modifying a fee or fine set forth in the regulation so that a small business is authorized to pay a lower fee or fine.

(c) Prepare a small business impact statement and make copies of the statement available to the public at the workshop conducted and the public hearing held pursuant to NRS 233B.061.

3. The agency shall prepare a statement identifying the methods used by the agency in determining the impact of a proposed regulation on a small business.



1 **Sec. 5.** This act becomes effective on July 1, 2005.



