

Form #4

Small Business Impact Disclosure and Statement

Approved 5-2-2014



NEVADA
STATE ENVIRONMENTAL
COMMISSION

The purpose of this form is to provide a framework pursuant to NRS 233B.0608 for drafting and submitting a Small Business Impact Statement (SBIS) to the State Environmental Commission (SEC) and to determine whether a SBIS is required to be noticed and available at the public workshop. A SBIS must be completed and submitted to the Legislative Counsel Bureau for ALL adopted regulations.

Note: Small Business is defined as a “business conducted for profit which employs fewer than 150 full-time employees” (NRS 233B.0382).

To determine whether a SBIS must be noticed and available at the public workshop, answer the following questions:

1. Does this proposed regulation impose a direct and significant economic burden upon a small business? (state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 on the SBIS and simply referred to; and if yes, reference the attached SBIS)

No, the proposed regulation does not impose a direct or significant economic burden upon small businesses. The proposed regulation will provide a benefit to participating businesses by reducing the cost of adopting zero emission medium- and heavy-duty vehicles.

2. Does this proposed regulation restrict the formation, operation or expansion of a small business? (state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 on the SBIS and simply referred to; and if yes, reference the attached SBIS)

No, this regulation does not provide any barrier to the formation, operation, or expansion of a small business. The regulation strictly affects vehicle businesses that choose to participate in the Clean Trucks and Buses Incentive Program.

If **Yes** to either of question 1 & 2, a SBIS must be noticed and available at the public workshop.

FORM 4: SMALL BUSINESS IMPACT STATEMENT (NRS 233B.0609)
(Provide attachments as needed)

1. Describe the manner in which comment was solicited from affected small businesses, a summary of the response from small businesses and an explanation of the manner in which other interested persons may obtain a copy of the summary. (Attach copies of the comments received and copies of any workshop attendance sheets, noting which are identified as a small business.)

Comment was solicited through a workshop held in Carson City and video conferenced to Las Vegas. Notices of the workshop and an invitation for comments were posted in county public libraries, the Nevada Division of Environmental Protection (NDEP) buildings in Carson City and Las Vegas, the NDEP website, the Legislative Council Bureau's website, and the official State website. The workshop notice was emailed to an extensive distribution list maintained by NDEP's Bureau of Air Quality Planning. A summary of the workshop is posted on the SEC website at <http://sec.nv.gov/meetings> and the presentation slide deck for the SEC hearing that contains a summary of comment letters submitted after the public workshop. Additionally, a document summarizing the comments from the workshop and letters is attached.

2. The manner in which the analysis was conducted (if an impact was determined).

Based on prior experience with vehicle incentive programs, the agency determined that small businesses would not be impacted by a direct and significant economic burden as participation in the program is entirely voluntary, scrappage is only required if it is required by the funding source, incentives provide an economic benefit to participants and NDEP will provide program documents such as applications and reporting templates to minimize administrative burden.

3. The estimated economic effect of the proposed regulation on small businesses:

The overall economic effect is largely beneficial by assisting participating small businesses in accessing costly zero emission vehicles, allowing them to benefit reduced fuel and maintenance costs.

a. Both adverse and beneficial effects:

The voluntary nature of the program allows businesses to determine if the benefits outweigh the burdens. Reporting requirements and potential scrappage requirements are the expected adverse effects. The benefits include financial incentives to reduce the cost of zero emission vehicles for businesses and lower operations and maintenance costs are expected as an indirect benefit. Overall, the direct and indirect benefits from the incentives are expected to result in a net benefit.

b. Both direct and indirect effects:

Direct effects include reduced costs for businesses buying zero emission vehicles. Indirect effects for participating businesses include fuel cost savings and reduced costs for maintenance as compared to internal combustion engines.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of the methods. (Include a discussion of any considerations of the methods listed below.)

The NDEP considered the potential administrative burdens for participating businesses to meet the application and reporting requirements of the regulations. To alleviate this, the NDEP will produce templates and factsheets.

A. Simplification of the proposed regulation:

Application and reporting requirements are limited to the information necessary to effectively administer the program and ensure compliance with federal law and guidance for grant funds expended for the program.

B. Establishment of different standards of compliance for a small business:

The program is voluntary, so compliance requirements of this program only apply to businesses that wish to participate in the program. Also, compliance requirements of this program are limited to what is necessary to effectively administer the program and ensure compliance with federal law and guidance for grant funds expended for the program.

C. Modification of fees or fines so that a small business is authorized to pay a lower fee or fine:

There are no fees or fines for this program.

5. The estimated cost to the agency for enforcement of the proposed regulation. (Include a discussion of the methods used to estimate those costs.)

The administrative costs for the program are expected to be approximately \$180,000 per year with additional costs for incentives, but both will be reimbursed with federal grant funds. The administrative costs are estimated based on estimates of staffing time required for the program based on current expected grant funding amounts.

6. If this regulation provides for a new fee or increases an existing fee, the total annual amount the agency expects to collect and manner in which the money will be used.

The regulation does not address fees.

7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, provide an explanation of why such duplicative or more stringent provisions are necessary.

Not applicable, the proposed regulation does not include requirements that are more stringent than federal regulations.

8. The reasons for the conclusions regarding the impact of a regulation on small businesses.

The NDEP concludes that there is no direct and significant burden of the regulation because the regulation only applies to businesses that voluntarily decide to participate in the program. The NDEP has taken steps to minimize the burdens related to reporting requirements. The burdens are expected be smaller than the economic benefits the incentives provide directly and indirectly.

I certify that to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on a small business and the information contained in this statement was prepared properly and is accurate.

Deputy _____
Administrator, NDEP

12/3/24
_____ Date

Supporting Documents



Attach copies of the comments received and copies of any workshop attendance sheets, noting which are identified as a small business.

<http://www.leg.state.nv.us/Statutes/77th2013/Stats201314.html#Stats201314page2304>