

**STATE OF NEVADA
NEVADA BOARD OF WILDLIFE COMMISSIONERS
NEVADA DEPARTMENT OF WILDLIFE
SMALL BUSINESS IMPACT STATEMENT PURSUANT TO NRS233B**

Commission General Regulation 500 LCB File No. R162-22P Subdivision Review

The purpose of this form is to provide a framework pursuant to NRS 233B.0608 to determine whether a small business impact statement is required for submittal of a proposed regulation before the Nevada Board of Wildlife Commissioners. Note: Small business is defined as a “business conducted for profit which employs fewer than 150 full-time or part-time employees” (NRS233B.0382).

1. Describe the manner in which comment was solicited from affected small businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary:

ANSWER:

NDOW assessed the potential impact of the proposed regulation on small business by using a direct survey of potentially affected businesses. In addition to potentially affected businesses, the survey was sent to builders associations across the state, county and city planning departments (where applicable), county planning commissions, and the Nevada Association of Counties. The additional feedback from non-businesses was anticipated to help highlight any other impacts that may not be initially identified by potentially affected business owners. Potential business owners or authorized representatives of business that could be affected were identified from the following sources:

- Northern Nevada Builders Association
- Southern Nevada Homebuilders Association
- Individual builders/developers
- County planning departments
- City planning departments
- County Planning Commissions
- Nevada Association of Counties

In total the survey was sent to 238 individual contacts with both target and non-target individuals included and utilized NDOW and builders association email distribution lists. The actual survey included a series of screening questions designed to sort small-businesses from non-target individuals. Any responses received from non-target individuals were considered as general public comments on the proposed regulation change but were not included in the Small Business Impact Statement.

The survey was generated using Survey Monkey and assessed the potential impact of the proposed regulation on small businesses. The survey was open for a total of 21 days from December 21, 2022 to January 10, 2023. With the survey was included a copy of the proposed regulation for review, and notification that an additional public workshop would be held January 24, 2023. No extension requests were received.

A total of 15 responses to the survey were received, including six (6) from qualified small businesses or their representatives, one (1) from a builder’s association, three (3) from a governmental planning commission or body, four (4) responses from county planning departments, and one (1) from a city planning department. Responses from non-target individuals/entities were screened and allowed to respond to the first eight (8) out of 15 questions. Of the six (6) target audience responses, only two (2) were fully completed and contained information suitable for analysis. The remaining four (4) surveys only contained answers for questions related to contact information, the number of employees, and whether

the respondents had previously submitted a tentative map to any agencies, commissions, or governing bodies in Nevada for review under NRS 278.320 through NRS 278.3485. These respondents appear to be contractors who work on behalf of small businesses.

The results of the two (2) valid, completed surveys are discussed below:

The initial survey questions were comprised of contact information and screening questions to identify the survey targets. The remaining questions were reserved for small businesses only, and addressed whether a small business:

- Has previously submitted a tentative map to any agencies, commissions, or governing bodies in Nevada for review under NRS 278.320 through NRS 278.3485;
- If a small business expects the proposed regulation to result in a significant adverse change with regards to business' requirement(s) for submitting a tentative map to a governing body (i.e. planning commission or representative) for review;
- What a small business anticipates fees will be on an annual basis, as a result of the proposed regulation based on the proposed fee structure;
- Whether the proposed regulation would cause any other significant financial/economic impacts to the business or directly restrict the formation, operation, or expansion of the business; and
- If any beneficial effects on the business were anticipated.

Both respondents indicated their small business (company/corporation) had previously submitted a tentative map for review under NRS 278.320 through NRS 278.3485, indicating they are familiar with the state requirements and submitting tentative maps for review. Additionally, both respondents indicated that they were unsure if the proposed regulation fees would pose a significant financial/economic impact. Additionally, neither respondent anticipated any beneficial effects on business resulting from the proposed regulation.

Concerns identified by both respondents included difficulties in estimating anticipated financial/economic impacts.

Respondent A indicated that without being able to estimate annual fees, they were unsure whether the fees would be a significant financial/economic impact, or what the reduced net revenue would be because of the proposed regulation and believed that fees should be based on lot numbers rather than acres or have a cap on cost included. This respondent did not believe that any other significant impacts restricting formation, operation, or expansion of business would result.

Respondent B indicated that an anticipated annual cost of \$1,400 for NDOW review of tentative maps but was unsure if \$1,400 would constitute a significant financial/economic impact. That respondent also indicated that annual revenue would be reduced by that amount. This respondent was primarily concerned with the added time associated with NDOW review or time required for processing "entitlements."

Results from the Small Business Impact Survey will be made publicly available via NDOW's website, be discussed at the January 24th, 2023, public meeting, and will be available upon request to Jasmine Kleiber, jkleiber@ndow.org or (775) 688-1561.

2. Describe the manner in which the analysis was conducted:

ANSWER:

The analysis was conducted by examining each individual response and organizing concerns based upon Questions 6, and 9-15 in the survey. The other questions were comprised of contact information and screening questions to identify the survey targets. Both small business respondents were considered

appropriate for use, the analysis included an in-depth assessment of each individual business survey response.

3. Describe the estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:

a.) Both adverse and beneficial effects:

ANSWER:

An *adverse effect* may be realized by subdivision developers, including small businesses, because they will now be subject to required review fees. The increased expense can vary greatly by development size. These added costs have the potential to adversely affect small business to some degree; however, as only one (1) respondent provided quantitative data, the significance of the impact is expected to be minor.

A *beneficial effect* includes that the fee structure is a static fee, and easily estimated based upon the size of a proposed subdivision. This eliminates any guesswork on required fees and can be easily built into project budgets. The fee structure also dictates that smaller subdivisions will pay less, thereby minimizing financial/economic impacts on smaller operations.

Additional beneficial effects may be realized by small business contractors that specialize in habitat improvement work such as re-seeding, pinion-juniper thinning, or other habitat improvement work that may be recommended by NDOW during review to offset impacts resulting from subdivision development. Current funding requires use of sportsman dollars to subsidize developers that do not contribute funding to mitigate impacts to wildlife. If more sportsman dollars are free, NDOW could fund additional wildlife and habitat projects that often benefit small businesses through contract work. Further, fee revenue and re-directed sportsman dollars would increase the amount of State matching dollars NDOW has available to obtain Federal Pittman-Robertson Grant dollars. Additional benefits include the more comprehensive planning to account for wildlife habitat and species and the need for subdivision developers or their representatives to hire resource specialists to assist in the planning processes.

b.) Both direct and indirect effects:

ANSWER:

Direct effects will likely be realized through the requirement of the fee described in NRS and within the proposed regulation, as well as through the addition of the requirement to submit tentative maps both to the planning commission or governing bodies and directly to NDOW. Neither respondent provided concern regarding the requirement to submit tentative maps to NDOW in addition to submission to the planning commission or governing body.

Indirect effects may be seen due to the variable nature of the housing markets. During market contractions, the fee will still be required to review developments. Additionally, there is potential that additional requirements, such as mitigation, may be required by Planning Commissions or other governing bodies as a result of recommendations made by NDOW. While this may cause adverse effects to developers of subdivisions, there may be positive indirect effects to other industries that specialize in habitat restoration, for example.

4. Describe 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 those methods:

ANSWER:

During initial public involvement for development of the proposed regulation, it was noted that there was significant concern over review time. This was identified by both survey respondents as well. In order to allow additional time for review and coordination, the proposed regulation includes a provision allowing the submission and coordination of review with NDOW prior to submission to the planning commission or governing body. This will not circumvent that requirement but will allow the review and identification of any major wildlife-related concerns well in advance, thereby reducing the likelihood of issues arising later in the planning process. It is anticipated that this will allow developers to meet their timelines without accruing any additional external penalties.

5. Describe the estimated cost to the agency for enforcement of the proposed regulation:

ANSWER:

Implementation of the review process outlined in the proposed regulation is anticipated to cost approximately \$124,224 for the initial establishment of the review process and program and associated equipment, operating expenses, and standard information services expenses, and approximately \$106,245 annually after establishment. This estimate is based upon the requirement of a new full-time (FTE) Wildlife Staff Specialist (approved by IFC in November 2022) to administer this review program. In addition to review of tentative maps, NDOW has fielded numerous calls from interested members of the public relative to proposed subdivisions, and NDOW will continue devoting staff resources toward public and/or interested party coordination.

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

ANSWER:

The agency is preparing to collect \$250 per tentative map received plus \$5 per acre depicted on said map, per NRS.

To-date, the Nevada Department of Wildlife has not fully enforced NRS 278.335-337 due to the lack of guiding regulations for implementation of review and collection of fees outlined in NRS, though it is anticipated fees collected may increase with the passage of these regulations. However, NDOW has received 31 tentative subdivision maps since passage of Assembly Bill 211 (2021). No fees were collected for review of these maps. The subdivision maps covered 5,117 acres. Had NDOW been fully implementing review including collection of fees under NRS, this would have amounted to collecting of \$33,335.50 in revenue.

It is also anticipated that fees will significantly fluctuate during periods of increased or decreased housing development. It is difficult to anticipate exactly how much will be collected due to these variations. Funding will be used in its entirety toward review costs, but it is not anticipated to cover the entire costs of reviews.

7. If the proposed regulation 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:

ANSWER:

There are no duplicate or applicable federal, state, or local standards that apply to this regulation.

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

ANSWER:

The Nevada Department of Wildlife has determined that the proposed regulation is unlikely to directly impose a significant negative financial/economic impact upon small businesses or have a negative impact

on the formation, operation or expansion of a small business in Nevada. The fee is currently required and outlined under NRS; NDOW is simply creating provision for how maps will be reviewed and creating a mechanism to collect the required fees.

Feedback received during various public workshops (County Advisory Board Meetings, Nevada Board of Wildlife Commissioners meetings, and the SBI survey) have indicated that most concern is regarding processing and review timelines. Some concern was expressed in survey responses regarding the fees; however, based upon our current estimate across the last 18 months from tentative maps received, the fees appear modest.

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


Alan Jenne, Director
Nevada Department of Wildlife