NOTICE OF WORKSHOP

NOTICE IS HEREBY GIVEN that the Nevada State Board of Professional Engineers and Land Surveyors will hold a public workshop to consider amendments to Nevada Administrative Code (NAC) Chapter 625.

The workshop will be conducted on Thursday, April 12, 2018 at 10:00 AM at the City of Henderson City Council Chambers Conference Room, located at 240 Water Street, Henderson, Nevada.

These workshops will be conducted in accordance with NRS 241.020, Nevada’s Open Meeting Law.

AGENDA

1. Call to Order
2. Introduction of workshop process
3. Public comment (General public comment on matters within the Board’s jurisdiction. May be limited to 5 minutes per speaker.)

The proposed changes will revise Chapter 625 of the Nevada Administrative Code and provide for the following:

1) Changing limitations related to practice of structural engineering
2) Adding contractual requirement to disclose professional liability insurance coverage
3) Updating stamping and sealing for clarity
4) Removing requirement to have a full-time licensee in each physical office in Nevada

Members of the public may make oral comments on the proposed changes at this meeting. Persons wishing to submit written testimony or documentary evidence may submit the material to the following address:

Nevada State Board of Professional Engineers and Land Surveyors
1755 East Plumb Lane, Suite 135
Reno, NV 89502
board@boe.state.nv.us

A copy of all materials relating to the proposed regulation changes may be obtained at the workshop or by contacting Sarah Wiley, Administrative Assistant, (775) 688-1231, swiley@boe.state.nv.us, or on the Board’s website at: https://nvbpels.org/. A reasonable fee for copying may be charged. The small business impact statements are attached to this Notice.

4. Closing public comment. (General public comment on matters within the Board’s jurisdiction. May be limited to 5 minutes per speaker.)
5. Adjournment
Members of the public who require special accommodations or assistance at the workshops are required to notify Sarah Wiley, Administrative Assistant, in writing to the Nevada State Board of Professional Engineers and Land Surveyors, 1755 East Plumb Lane, Suite 135, Reno, Nevada, 89502, or by calling (775) 688-1231 at least five (5) working days prior to the date of the public workshop.

A copy of the notice and the proposed regulations are on file for inspection and/or may be copied at the Board's office in Reno, located at 1755 East Plumb Lane, Suite 135, Reno, Nevada during normal business hours.

A copy of the proposed regulations and small business impact statements can be found on the Nevada State Board of Professional Engineers and Land Surveyors web page: https://nvbpels.org/business-impact-survey-results

A copy of the public workshop notice can also be found at Nevada Legislature’s web page: https://www.leg.state.nv.us/App/Notice/A/

Copies may be obtained in person, by mail, or by calling the Nevada State Board of Professional Engineers and Land Surveyors at (775) 688-1231 in Reno, Nevada.

A copy of this notice has been posted at the following locations:

Nevada State Board of Professional Engineers and Land Surveyors
1755 East Plumb Lane, Suite 135
Reno, NV  89502

City of Reno, Engineering Division                          City of Las Vegas, Development Services Center
1 E First Street, 2nd Floor                                333 N Rancho Drive
Reno, NV  89501                                           Las Vegas, NV  89106

Clark County Dept of Building & Fire Prevention             City of Sparks, Building & Safety
4701 W Russell Road                                         City Hall, 431 Prater Way
Las Vegas, NV  89118                                        Sparks, NV  89431

Elko County Recorder
571 Idaho Street
Elko, NV  89801

And, also posted on the internet at: https://notice.nv.gov and https://nvbpels.org/board/meetings

ATTACHMENTS: Small Business Impact Statement NAC 625.260
                Small Business Impact Statement NAC 625.545
                Small Business Impact Statement NAC 625.610
                Small Business Impact Statement NAC 625.630
Small Business Impact Statement for proposed amendments to NAC 625.260

Summary

The State Board of Professional Engineers and Land Surveyors has determined that the proposed amendments could potentially have a negative financial impact on a small business that choses to only employee civil engineers to design structures.

However, considering the potential risks and costs to Nevada and its citizens in the event of a catastrophic seismic occurrence, the possibility of economic detriment to a small business is significantly less important.

The proposed regulations are not expected to negatively impact the formation or expansion of a small business in Nevada. The operation of a small business could be impacted if the business choses not to employ a licensed structural engineer or if its civil engineer choses to not seek licensure as a structural engineer.

A small business in Nevada is defined in Nevada Revised Statute (NRS) 233B as a, “business conducted for profit which employs fewer than 150 full-time or part-time employees.”

This small business impact statement was created pursuant to NRS 233B.0608(3) and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulations on a small business and provides the reasons for the conclusions of the agency followed by certification by the agency’s responsible person.

Background

The proposed amendments to the regulation include the following –

The inclusion of parameters to define an upper point of reference in determining the 45 foot height limitation for civil engineers who perform structural design. This is to provide clarification in the interpretation of the regulation, with the impetus for a more specific upper height reference coming from planning authorities.

Also included in the proposed amendment is to have licensed structural engineers design buildings and other structures designated as essential facilities assigned a IV Risk Category in accordance with the International Building Code. Essential facilities include buildings such as hospitals, fire stations, and schools that would be occupied by the public and used by first responders during a catastrophic event. This proposed amendment is intended to enhance public health, safety and welfare, as significant portions of Nevada’s population reside in areas with high seismic activity, areas that are classified by the USGS as the two highest levels of hazard.
Based on the survey results, some adverse economic impacts could be felt by small businesses that currently provide design services for buildings and structures identified as Risk Category IV in accordance with the International Building Code. Currently civil engineers can practice structural design up to a building height limit of 45’, without limitation of structure type. If a business does not employee a licensed structural engineer it would limit the businesses ability to provide design services for critical structures. If a cost impact were to be estimated, it would be the cost associated with recruiting and hiring a licensed structural engineer, or the cost for a civil engineer to seek licensure as a professional structural engineer, or loss of related business. Any small business onboarding costs or structural engineer licensing cost could be offset by possible benefits of expanding the range of services offered.
5 – Cost estimate for agency enforcement

At this time there would be no additional cost to the regulatory board to enforce the proposed amendments. Any issues relation to compliance would be absorbed into the existing workload of the current staffing levels.

6 – New fees or increases in existing fees

The proposed amendments do not involve an increase to existing fees or create any new fees.

7 – Are any duplicative or more stringent provisions involved

There are no federal regulations associated with professional engineers and land surveyors. However every state and US territory regulates the professions of engineering and land surveying. The addition of item NAC 625.260 (1) (d), requiring a structural engineer for critical structures, is more stringent than the current regulation, but with respect to the seismic hazard classification of significant areas of Nevada, in the opinion of the Nevada Board of Professional Engineers and Land Surveyors, the proposed amendment best serves the public interest.

8 – Summary of conclusions

Any additional regulation proposed by the board is not undertaken lightly. Considerations were made of potential adverse economic impacts, both direct and indirect, to small businesses offering services in Nevada. In the final determination though, the interests of safeguarding life, health and property and the promotion of public welfare along with considering the potential costs to Nevada and its citizens in the event of a catastrophic seismic occurrence, substantially out-weighed the possibility of economic detriment to a small business.
Small Business Impact Statement for proposed amendments to NAC 625.545

Summary

The State Board of Professional Engineers and Land Surveyors have determined that the proposed amendments may have a minor negative financial impact on a small business. However these impacts are offset by the positive benefits to the public. The proposed regulations are not expected to negatively impact the formation, operation, or expansion of a small business in Nevada.

A small business in Nevada is defined in Nevada Revised Statute (NRS) 233B as a, “business conducted for profit which employs fewer than 150 full-time or part-time employees.”

This small business impact statement was created pursuant to NRS 233B.0608(3) and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulations on a small business and provides the reasons for the conclusions of the agency followed by certification by the agency’s responsible person.

Background

The proposed amendments to the regulation include the following –

The inclusion of the additional item is to give full information to the public prior to entering into a contractual agreement with a licensed professional.

1 – Manner in which comments were solicited, response summary, and explanation of how interested parties may obtain a copy of summary

Referencing the requirements of NRS 233B.0608, the Nevada Board of Professional Engineers and Land Surveyors requested input from owners and officers of professional engineering and land surveying small businesses via an e-mailed survey link. Feedback was also solicited from stakeholders in similar management and ownership positions in the partner industries of architecture and contracting/construction via notification and survey link through each of the respective state boards.

The survey asked for input on adverse/beneficial economic effects on small businesses, and indirect adverse/beneficial effects – with space to elaborate on responses.

A summary of the survey results is available for viewing on the Nevada Board of Professional Engineers and Land Surveyors website at https://www.nvbpeis.org/board/business-impact-study.
2 – Manner in which the analysis was conducted

Survey results were initially reviewed for general comments to gauge if the intent of the proposed regulation changes were adequately conveyed. The general comments provided a basis for refining revisions to the proposed amendments prior to holding public workshops.

Survey analysis then focused on “YES” responses – in the direct economic effect and indirect adverse effect, and the associated comments and explanations to determine the individual concerns. The same was done with survey results for the direct and indirect beneficial impacts.

3 – Estimated economic impacts of the proposed regulation on small businesses

Potential economic impacts are associated with administrative costs that may result from adding language to existing contract templates disclosing professional liability insurance coverage if it is not already included in a business contract.

The proposed amendment is only requiring a disclosure regarding professional liability and not mandating coverage. Contract terms, as mentioned by the many respondents, are between the small business and the client, and details of any terms are to be negotiated between the two parties. The proposed amendment is about disclosure of information for decision making. The particulars of deciding on whether to include coverage for a particular project, and the coverage amounts, are at the discretion of the business and the client.

4 – Considerations were made to reduce impact of proposed regulation

Concerns on possible impacts to small businesses were taken into account during the drafting of the proposed amendment and that there may be an interpretation that the change is mandating the coverage of professional liability insurance – which it is not. The intent is to provide a full disclosure of information to the public/clients, and it is the prerogative of the two parties to negotiate the terms of the final contract.

5 – Cost estimate for agency enforcement

At this time there would be no additional cost to the regulatory board to enforce the proposed amendments. Any issues relating to compliance would be absorbed into the existing workload of the current staffing levels.

6 – New fees or increases in existing fees

The proposed amendments do not involve an increase to existing fees or create any new fees.

7 – Are any duplicative or more stringent provisions involved

There are no federal regulations associated with professional engineers and land surveyors. However every state and US territory regulates the professions of engineering and land surveying.
The addition of item (4) to NAC 625.545, disclosing whether a business has professional liability insurance, is more stringent than the current regulation, but with respect to allowing the public to have full information prior to making a contractual decision, in the considered opinion of the Nevada Board of Professional Engineers and Land Surveyors, best serves the public interest.

8 – Summary of conclusions

The proposed amendment is about providing complete information for the public. The terms of the contract are still at the discretion and the agreement of the small business and the client. The intent is to elevate the level of public protection by requiring the additional information be disclosed.
Small Business Impact Statement for proposed amendments to NAC 625.610

Summary

The State Board of Professional Engineers and Land Surveyors has determined that the proposed amendments should not have a negative financial impact on a small business and in some circumstances may have a beneficial impact. The proposed regulations are not expected to negatively impact the formation, operation, or expansion of a small business in Nevada.

A small business in Nevada is defined in Nevada Revised Statute (NRS) 233B as a, “business conducted for profit which employs fewer than 150 full-time or part-time employees.”

This small business impact statement was created pursuant to NRS 233B.0608(3) and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulations on a small business and provides the reasons for the conclusions of the agency followed by certification by the agency’s responsible person.

Background

The proposed amendments to the regulation include the following –

- An illustration of the stamp/seal design to give the option to licensees to source a stamp/seal from a vendor of their choosing and create the ability for a licensee to create a digital version
- An adjustment to the regulation text in section 4 to improve comprehension of the intent
- An adjustment of text coupling the term “digital” with “signature(s)” This is in reference to documents that are electronically submitted, and is the accepted terminology when used to describe an encrypted or password protected signature on electronic transmittals
- The removal of item 625.610.10 (c) - the text is not relevant to secure digital signatures. Secure signatures need not be applied by the licensee in responsible charge of work; signatures are only required to be authenticated/activated by the licensed professional. The application of the signature box or landing space for the signature can be done by someone other than the licensee

1 – Manner in which comments were solicited, response summary, and explanation of how interested parties may obtain a copy of summary

Referencing the requirements of NRS 233B.0608, the Nevada Board of Professional Engineers and Land Surveyors requested input from owners and officers of professional engineering and land surveying small businesses via an e-mailed survey link. Feedback was also solicited from stakeholders in similar management and ownership positions in the partner industries of architecture and contracting/construction via notification and survey link through each of the
respective state boards.

The survey asked for input on adverse/beneficial economic effects on small businesses, and indirect adverse/beneficial effects – with space to elaborate on responses.

A summary of the survey results is available for viewing on the Nevada Board of Professional Engineers and Land Surveyors website at www.nvbpels.org/board/business-impact-study.

2 – Manner in which analysis was conducted

Survey results were initially reviewed for general comments to gauge if the intent of the proposed regulation changes were adequately conveyed. The general comments provided a basis for refining revisions to the proposed amendments prior to holding public workshops.

Survey analysis then focused on “YES” responses – in the direct economic effect and indirect adverse effect, and the associated comments and explanations to determine the individual concerns. The same was done with survey results for the direct and indirect beneficial impacts.

3 – Estimated economic impacts of the proposed regulation on small businesses

After revising proposed amendment text – based on feedback from respondents – it is estimated that there would be no adverse direct or indirect impact on small businesses, rather it's likely there will be beneficial economic impacts. This relates to the more efficient use of a licensees time. A licensee would save time in not having to physically apply the digital signature landing space on documents for electronic transmittals.

4 – Considerations to reduce impact of the proposed regulation

Prior to the survey, initial drafts of the proposed amendments were circulated to professional engineering and land surveying associations. Input was received and incorporated into the progressive drafts of the proposed amendments. The intent of the proposed regulation changes is to reduce the burden on licensees and businesses without compromise to the public health, safety and welfare.

5 – Cost estimate for agency enforcement

At this time there would be no additional cost to the regulatory board to enforce the proposed amendments. Any issues relating to compliance would be absorbed into the existing workload of the current staffing levels.

6 – New fees or increases in existing fees

The proposed amendments do not involve an increase to existing fees or create any new fees.
7 – Duplicative or more stringent provisions

There are no federal regulations associated with professional engineers and land surveyors. However every state and US territory regulates the professions of engineering and land surveying. The proposed amendments are intended to provide clarification and be less restrictive. There are no duplicative or more stringent provisions in these proposed amendments.

8 – Summary of conclusions

Input from stakeholders has been very valuable in shaping the current proposed amendments. It was concluded that the proposed revisions will provide flexibility for small businesses in vendor selection for stamp/seal purchases, potential for economic benefits with a more productive use of licensee time, and clarity in the intent of the regulation. These conclusions are drawn from the survey responses received from small business owners and operators.

Without the proposed amendments, the licensee must coordinate with the regulatory board when procuring a stamp or seal. The proposed amendment allows discretion for small businesses to procure from a vendor of their choosing without coordination with the board. The amendment regarding the application of electronic signatures as opposed to the authentication or activating of a digital signature, will result in business efficiencies while maintaining control over the signing of work for which the licensee had responsible charge.
Small Business Impact Statement for proposed amendments to NAC 625.630

Summary

The State Board of Professional Engineers and Land Surveyors has determined that the proposed amendments should not have a negative financial impact on a small business and in some circumstances may have a beneficial impact. The proposed regulations are not expected to negatively impact the formation, operation, or expansion of a small business in Nevada.

A small business in Nevada is defined in Nevada Revised Statute (NRS) 233B as a, “business conducted for profit which employs fewer than 150 full-time or part-time employees.”

This small business impact statement was created pursuant to NRS 233B.0608(3) and complies with the requirements of NRS 233B.0609. As required by NRS 233B.0608(3), this statement identifies the methods used by the agency in determining the impact of the proposed regulations on a small business and provides the reasons for the conclusions of the agency followed by certification by the agency’s responsible person.

Background

The proposed amendments to the regulation includes the following –

The proposed amendments removes item 625.630 (3) (b) which requires a licensed Nevada professional to be generally present, during normal business hours, in a Nevada local office of the employer. The intent is to remove the physical presence constraint while not compromising the accountability and oversight of being in responsible charge of the work performed, and to reduce barriers to trade and competition. This will enable Nevada small businesses to open secondary offices in other Nevada locations without having to have a full-time professional in each office.

1 – Manner in which comments were solicited, response summary, and explanation of how interested parties may obtain a copy of summary

Referencing the requirements of NRS 233B.0608, the Nevada Board of Professional Engineers and Land Surveyors and requested input from owners and officers of professional engineering and land surveying small businesses via an e-mailed survey link. Feedback was also from stakeholders in similar management and ownership positions in the partner industries of architecture and contracting/construction via notification and survey link through the respective state boards.

The survey asked for input on adverse/beneficial economic effects on small businesses, and indirect adverse/beneficial effects – with space to elaborate on responses.

A summary of the survey results is available for viewing on the Nevada Board of Professional Engineers and Land Surveyors website at www.nvbpels.org/board/business-impact-study.
2 – Manner in which the analysis was conducted

The feedback from the survey recipients was first reviewed for general comments on the proposed amendments, to gauge if the general intent was being conveyed in the proposed text of the changes. Respondent feedback regarding detail and logistical items provided a basis for further revisions to the amendments before the holding of the public workshops.

Analysis then focused on active – YES responses – in the direct economic effect and indirect adverse effect, and the associated comments and explanations to determine the individual concerns. The same was done with active feedback to the direct and indirect beneficial impacts.

3 – Estimated economic impacts of the proposed regulation on small businesses

Based on feedback from comments in the survey, there was a concern of adverse direct and indirect effects from increased competition and a more competitive marketplace. But in direct counter to these comments, the amendment also opens up additional economic opportunities to small businesses that don’t have the resources to open multiple office locations within the state due to the current requirement to employ a full-time professional in each office. The proposed change also provides for differentiation opportunities for local small businesses that can use proximity as a competitive advantage.

4 – Considerations were made to reduce impact of proposed regulation

The consideration was to reduce barriers to trade and competition, while not compromising what it means to be in responsible charge of work. The board is of the opinion that this change enhances the economic opportunities of small businesses.

5 – Cost estimate for agency enforcement

At this time there would be no additional cost to the regulatory board to enforce the proposed amendments. Any issues relation to compliance would be absorbed into the existing workload of the current staffing levels.

6 – New fees or increases in existing fees

The proposed amendments do not involve an increase or the creation of any new fees.

7 – Are any duplicative or more stringent provisions involved

There are no federal regulations associated with professional engineers and land surveyors. However every state and US territory regulates the professions of engineering and land surveying. The proposed removal of item 625.630 (3) (b) removes a physical location barrier to trade and market competition.
8 – Summary of conclusions

The proposed removal of 625.630 (3) (b) is a reduction in barriers to trade with regard to intra and interstate competitive markets. As a result, economic opportunities for small businesses will increase, as will the opportunity to differentiate themselves, if they do have a local presence, in the competitive marketplace.