

NOTICE OF PUBLIC HEARING
INTENT TO ACT UPON REGULATIONS
September 13, 2018

Date: September 13, 2018
Time: 8:30 AM
Location: Holsum Bread Building
241 W Charleston Boulevard, Suite 130
Las Vegas, NV 89102
(775) 688-1231

AGENDA

Please note: The Nevada State Board of Professional Engineers and Land Surveyors may 1) take agenda items out of order, 2) combine two or more items for consideration, 3) remove an item from the agenda or delay discussion related to an item at any time. Reasonable efforts will be made to assist and accommodate individuals with disabilities who wish to attend the meeting. Please contact the Board office at (775) 688-1231 (board@boe.state.nv.us), in advance, so that arrangements can be made.

1. Open hearing for LCB file number R085-18 by Chair Bob LaRiviere.
2. Presentation, discussion and adoption of proposed changes to Nevada Administrative Code 625 as drafted by the Nevada Legislative Council Bureau, LCB file number R085-18. **(For possible action)**
 - a. NAC 625.260 revises provisions concerning structures and buildings that are required to be designed by professional engineers licensed as structural engineers, also clarifies highest point reference.
 - b. NAC 625.545 adds professional liability insurance disclosure to contract requirements, if professional liability insurance is carried, disclosure of the limits of coverage provided by the policy.
 - c. NAC 625. 610 revises provisions related to stamps, seals, and signatures of professional engineers and professional land surveyors.
 - d. NAC 625.630 revises provisions related to advertising for or offering to perform land surveying or engineering—removing the physical requirement of a full-time PE/PLS at each business location where work is being completed.
3. Public comment. **(Discussion only)** Action may not be taken on any item brought up under public comment until scheduled on an agenda for action at a later meeting.
4. Close hearing for LCB file number R085-18.
5. Adjournment.

Supporting material for this meeting may be requested from Patty Mamola, PE, Executive Director at (775) 688-1231 (board@boe.state.nv.us) and is available at 1755 East Plumb Lane, Suite 135, Reno, NV 89502.

AFFIDAVIT OF POSTING

The undersigned affirms that in accordance with NRS 241.020, this public notice and agenda was posted on or before 9:00 AM on September 10, 2018, at the Nevada State Board of Professional Engineers and Land Surveyors office at 1755 East Plumb Lane, Suite 130, Reno, NV 89502, on the Nevada State Board of Professional Engineers and Land Surveyors website, <http://www.nvbpels.org/>, and the State of Nevada's Public Notice website, <http://notice.nv.gov>.

SIGNATURE

Name: Louisa Kern

Title: Secretary

Date and Time of Posting: _____

Also, in accordance with NRS 241.020, this public notice and agenda was posted on or before 9:00 AM on September 10, 2018, at the following locations:

City of Reno, Engineering Division
1 E First Street, 2nd Floor
Reno, NV 89501

City of Sparks, Building & Safety
City Hall, 431 Prater Way
Sparks, NV 89431

Clark County Depart of Building & Fire Prevention
4701 W Russell Road
Las Vegas, NV 89118

Elko County Recorder
571 Idaho Street
Elko, NV 89801

City of Las Vegas, Development Services Center
333 N Rancho Drive
Las Vegas, NV 89106

NOTICE OF INTENT TO ACT UPON REGULATIONS

Notice of Hearing for the Adoption of Regulations of the Nevada State Board of Engineers and Professional Engineers

LCB File No R085-18

The Nevada State Board of Engineers and Professional Engineers will conduct a public hearing at 8:30am; Thursday September 13, 2018 at the Holsum Bread Building, 241 W Charleston Boulevard, Suite 130, Las Vegas, NV 89102. The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations that pertain to Chapter 625 of the Nevada Administrative Code.

The following information is provided pursuant to the requirements of NRS 233B.060:

Information Regarding Adoption

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either prior to adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against adoption.

1. **Need and Purpose of the Proposed Regulations**

The following regulations are necessary to provide clarity to existing regulations and add measures to enhance public health, safety and welfare.

Section 1 of the proposed regulation, relating to structural engineering licensure, adds clarity in defining the upper height limit on buildings designed by civil engineers. It also requires that essential structures be designed by a structural engineer to enhance public health, safety and welfare. Significant portions of Nevada's population reside in areas with high seismic activity and are susceptible to damage during seismic events. Essential structures must be designed by competent engineering professionals to maintain operability to provide shelter/service to affected public.

Section 2 of the proposed regulation relates to contracts. The change would require a professional engineer or professional land surveyor, who enters into a contract with a client to include a disclosure as to whether the engineer or land surveyor maintains a professional liability insurance policy, and if so, the limits of coverage provided by the policy.

Section 3 of the proposed regulation relates to the signing and stamping of documents produced by a professional engineer or professional land surveyor. The regulation provides clarification as to the applicable designs to which a stamp and seal need to conform and revises electronic seal and digital signature requirements.

Lastly Section 4 of the proposed regulation revises provisions relating to certain requirements concerning advertising for or offering to perform land surveying or engineering in a discipline of professional engineering.

2. Terms of the Proposed Regulations

The proposed regulations relate to professions; revising provisions concerning structures and buildings that are required to be structurally designed by professional engineers licensed as structural engineers; revising provisions relating to written contracts entered into and between licensed professional engineers and/or professional land surveyors and clients; revising provisions relating to stamps, seals and signatures of professional engineers or professional land surveyors; revising provisions relating to advertising for or offering to perform land surveying or engineering in a discipline of professional engineering; and providing other matters properly relating thereto.

3. Estimated Economic Effect

a. Adverse effects:

The impact of Section 1 of the proposed regulation which relates to the requirement for certain building classifications requiring a structural engineer; civil engineering businesses involved in the design of essential facilities could be impacted if the business chose not to have staff seek licensure in the structural discipline or to not hire a structural engineer. This would be an immediate impact and would only have a longer-term effect if the business chose not to have staff seek licensure in the structural discipline or to not hire a structural engineer.

The proposed amendment relating to contracts in Section 2 of this regulation requires a disclosure regarding professional liability coverage, not mandating coverage. The minor impact of adjusting contractual text is accepted. The adjustment period would be immediate and would not continue into the longer term.

There are no apparent adverse effects, immediate or long term, from the proposed changes to the stamping regulation or from the amendments to the provisions concerning advertising for or offering to perform land surveying or engineering.

b. Beneficial effects:

Amendments requiring essential facilities engineered by someone with a structural license, while difficult to estimate economically, provides for an enhanced public health, safety and welfare benefit by raising the minimum level of competency required by the professional performing the design. The effect would be immediate and continue in the long term.

Adding a requirement to the level of disclosure in contracting enables a more informed decision before executing a binding agreement. The benefit would start immediately and continue.

The changes to the stamping regulations allow for the more efficient use of a licensee's time. A licensee would not have to physically apply the digital signature landing space on documents for electronic transmittals. This impact would be immediate and continue in the long term.

The amendments to 625.630 open 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. The opportunities created by this proposed amendment would start right away and continue going forward.

4. Estimated Cost to the Agency

It is estimated that there would be no additional cost to the agency.

5. Duplication with other Agencies

No duplication with other agencies.

6. Federal Law

The proposed amendments are not federal requirements.

7. Federal Regulation

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.

Comments and Written Submissions

Persons wishing to comment on the proposed action of the Nevada State Board of Engineers and Professional Engineers may appear at the scheduled public hearings or may address their comments, data, views, or arguments in written form to:

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

Written submissions must be received by the Board no later than **Tuesday, September 11, 2018**. If no person who is directly affected by the proposed action appears to request time to

make an oral presentation, the Board may proceed immediately to act upon any written submissions.

Copies of Proposed Regulation

A copy of this notice and the proposed regulation will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the proposed regulation are available on the Board's website at <https://nvbpels.org/> and at the Board's office:

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

The text of each regulation will include the entire text of any section of the Nevada Revised Statutes, which is proposed for amendment or repeal. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653 and on the Internet at:

<https://www.leg.state.nv.us/Register/2018Register/R085-18P.pdf>

Copies will be mailed to members of the public upon request. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, will issue a concise statement of the principal reasons for and against its adoption and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at the following locations:

City of Reno, Engineering Division
1 E First Street, 2nd Floor
Reno, NV 89501

City of Sparks, Building & Safety
City Hall, 431 Prater Way
Sparks, NV 89431

Clark County Department of Building & Fire Prevention
4701 W Russell Road
Las Vegas, NV 89118

Elko County Recorder
571 Idaho Street
Elko, NV 89801

City of Las Vegas, Development Services Center
333 N Rancho Drive
Las Vegas, NV 89106

Copies of this notice of hearing, hearing agenda, and proposed regulations may also be obtained from any of the public libraries listed below:

Churchill County Library, 553 South Main Street, Fallon, NV
Douglas County Library, 1625 Library Lane, Minden, NV
Elko County Library, 720 Court Street, Elko, NV
Esmeralda County Library, Corner of Crook and Fourth Street, Goldfield, NV
Humboldt County Library, 85 East Fifth Street, Winnemucca, NV
Lander County Library, 625 South Broad Street, Battle Mountain, NV
Lincoln County Library, 63 Main Street, Pioche, NV
Lyon County Library, 20 Nevin Way, Yerington, NV
Mineral County Public Library, 110 First Street, Hawthorne, NV
Pershing County Library, 1125 Central Avenue, Lovelock, NV
Tonopah Public Library, 167 Central Street, Tonopah, NV
Washoe County Library, 301 South Central Street, Reno, NV
White Pine County Library, 950 Campton Street, Ely, NV

**PROPOSED REGULATION OF THE
STATE BOARD OF PROFESSIONAL
ENGINEERS AND LAND SURVEYORS**

LCB File No. R085-18

July 5, 2018

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

AUTHORITY: §1, NRS 625.140 and 625.175; §§2 and 4, NRS 625.140; §3, NRS 625.140 and 625.565.

A REGULATION relating to professions; revising provisions concerning structures and buildings that are required to be structurally designed by professional engineers licensed as structural engineers; revising provisions relating to written contracts entered into between licensed professional engineers or professional land surveyors and clients; revising provisions relating to stamps, seals and signatures of professional engineers or professional land surveyors; revising provisions relating to advertising for or offering to perform land surveying or engineering in a discipline of professional engineering; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

Existing law authorizes the State Board of Professional Engineers and Land Surveyors to adopt regulations necessary for the proper performance of the duties of the Board, the regulation of the proceedings before the Board and the maintenance of a high standard of integrity and dignity in professional engineering and land surveying. (NRS 625.140)

Existing law authorizes the Board to define by regulation the scope of each discipline of professional engineering for which licensure is required. (NRS 625.175) Existing regulations provide that only professional engineers licensed as structural engineers are authorized to structurally design certain structures and buildings, including a building more than 45 feet in height. (NAC 625.260) **Section 1** of this regulation specifies the lowest point of reference and the highest point of reference for the purposes of determining the height of a building. **Section 1** also authorizes only professional engineers licensed as structural engineers to structurally design a building or other structure designated as an essential facility and assigned the classification of Risk Category IV in accordance with the *International Building Code*.

Existing regulations require: (1) a licensed professional engineer or professional land surveyor to enter into a written contract with each client for whom the professional engineer or professional land surveyor will perform work before performing any work; and (2) that the contract include certain provisions. (NAC 625.545) **Section 2** of this regulation provides that such a contract also must include a disclosure as to whether the licensed professional engineer or professional land surveyor currently maintains a policy of professional liability insurance and, if so, the limits of the coverage provided by the policy.

Existing law requires the Board to prescribe by regulation requirements relating to the signing and stamping of documents produced by a professional engineer or professional land surveyor. (NRS 625.565) **Section 3** of this regulation revises provisions relating to a stamp or seal obtained by a licensed professional engineer or professional land surveyor and sets forth the applicable designs to which such a stamp or seal must conform. **Section 3** also revises the circumstances in which a professional engineer or professional land surveyor is authorized to apply an electronically prepared seal and digital signature on certain documents.

Section 4 of this regulation revises provisions relating to certain requirements concerning advertising for or offering to perform land surveying or engineering in a discipline of professional engineering.

Section 1. NAC 625.260 is hereby amended to read as follows:

625.260 1. Only professional engineers licensed as structural engineers pursuant to this chapter may structurally design:

(a) A structure requiring special expertise, including, but not limited to, a radio tower and a sign over 100 feet in height, using the bottom of the lowest footing or the top of the pile cap as the point of reference. Dynamic machinery and related equipment within the scope of mechanical engineering are not included.

(b) A building more than three stories in height.

(c) A building more than 45 feet in height, ~~using~~ *measured from the lowest point of reference to the highest point of reference. As used in this paragraph:*

(1) “Highest point of reference” means the top of the highest structural element or the highest point of the roof or parapet wall, not including minor single-pole antennae or lightning rods projecting above the roof or parapet wall.

(2) “Lowest point of reference” means the bottom of the lowest footing or the top of the pile cap . ~~[as the point of reference.]~~

(d) A building or other structure designated as an essential facility and assigned the classification of Risk Category IV in accordance with the International Building Code.

2. Any professional engineer may design a component part of a building that is more than 45 feet in height if the professional engineer is otherwise qualified to do so pursuant to the particular discipline in which the professional engineer is licensed. If the professional engineer is not licensed as a structural engineer, the design must be reviewed by an engineer of record who is licensed as a structural engineer.

3. A professional engineer licensed as a civil engineer pursuant to this chapter may structurally design a structure, including, without limitation, a bridge, unless the structure is described in subsection 1.

4. As used in this section, “pile cap” means a thick concrete mat which is used as part of the foundation of a building or structure and which rests on piles.

Sec. 2. NAC 625.545 is hereby amended to read as follows:

625.545 Before performing any work, a licensee shall enter into a written contract with each client for whom the licensee will perform work. The written contract must include, without limitation ~~[, provisions]:~~

1. Provisions specifying:

- ~~{1.}~~(a) The scope of the work;
- ~~{2.}~~(b) The cost for completion of the work; and
- ~~{3.}~~(c) The anticipated date for completion of the work ~~{1.}~~; *and*

2. A disclosure as to whether the licensee currently maintains a policy of professional liability insurance and, if so, the limits of the coverage provided by the policy of insurance.

Sec. 3. NAC 625.610 is hereby amended to read as follows:

625.610 1. ~~{A stamp authorized by the Board}~~*Upon being issued a license, each licensee may, ~~{b—obtained at the office of the Board}~~ at ~~{the}~~his or her own expense ~~{of}~~, obtain a stamp or seal that conforms with the ~~{licensee.}~~requirements of this section.*

2. A person who is licensed in more than one discipline of engineering shall use a separate stamp *or seal* for each discipline, except that a person who is licensed in the disciplines of civil engineering and structural engineering may use a single stamp *or seal* for both disciplines. *A stamp or seal must be approximately 1.7 inches in diameter and conform to one of the following designs, as applicable:*



3. The impression made by a stamp or seal:

- (a) Must be opaque and permanent;

- (b) Must state the name of the licensee;
- (c) Must contain the license number of the licensee;
- (d) Must state the particular discipline in which the licensee is licensed; and
- (e) May state the expiration date of the license of the licensee.

4. Each licensee shall validate a stamp or seal by ~~signing~~ *adding* his or her ~~name~~ *signature* legibly ~~in opaque ink~~ across the face of the impression made by the stamp or seal. ~~Entering~~ *The licensee shall also include* the date of stamping or sealing and *, if the stamp or seal does not include* the date of expiration of his or her license, ~~unless such information is included in a stamp or seal pursuant to subsection 3.~~ *the date of expiration.* The name of the licensee, the particular discipline in which the licensee is licensed and the license number of the licensee must be legible. Except as otherwise provided in NRS 427A.755, the licensee may not use a stamp to produce his or her signature.

5. When a licensee signs, stamps or seals a document containing the work of others, the licensee represents that the licensee has prepared or has been in responsible charge of the production of the entire document unless the licensee includes a written statement adjacent to his or her signature, stamp or seal identifying the portion of the document that the licensee prepared or for which the licensee had responsible charge of the work.

6. For the purposes of NRS 625.565, a professional engineer has “responsible charge of the work” and may sign, stamp or seal plans, specifications, plats or reports which were not prepared by the professional engineer:

(a) If the professional engineer personally supervises the work on the plans, specifications, plats or reports to the degree that he or she is satisfied that the work is completed in a proper and professional manner; or

(b) Where the plans, specifications, plats or reports are not prepared under his or her personal supervision, if the professional engineer or persons under his or her personal supervision review the plans, specifications, plats or reports and make tests, calculations or changes in the work as necessary for the professional engineer to determine that the work has been completed in a proper and professional manner.

7. A licensee who signs, stamps or seals a document which was not prepared by him or her but for which the licensee had responsible charge of the work is subject to disciplinary proceedings pursuant to chapter 625 of NRS for any errors in that document as if it was prepared by the licensee. This subsection does not exempt any other licensee who prepared the document from disciplinary action for his or her errors in that document.

8. Pursuant to NRS 625.565, all surveying maps and records, and all engineering plans, specifications, reports or other documents that are submitted to obtain permits, are released for construction or are issued as formal or final documents to clients, public authorities or third parties must bear:

- (a) The signature of the licensee;
- (b) The stamp or seal of the licensee;
- (c) The date of signing; and
- (d) The expiration date of the license of the licensee.

9. If the license of a licensee expires after the licensee submits, releases or issues a document described in subsection 8, the licensee is not required to sign, stamp or seal the document again to include an updated expiration date of the license unless changes are made to the document after the document is submitted, released or issued.

10. A licensee with responsible charge of the work contained in a document described in subsection 8 may have an electronically prepared seal and *digital* signature applied to such a document which is electronically submitted, released or issued only if:

(a) The files containing the document are locked electronically to prevent any changes to the document;

(b) Secure encryption methods are in place to prevent the copying, transferring or removing of the seal and *digital* signature and to prevent changes to any electronic drawings after the document is submitted, released or issued; *and*

(c) ~~[The electronic signature is applied by the licensee in responsible charge of the work; and~~
~~—(d)—~~The licensee believes adequate protections are in place to prevent fraud or misuse of the ~~[electronic]~~*digital* signature.

11. If an agency reviewing an interim document, other than a document listed in subsection 12, requires a licensee to stamp the interim document, the document must be clearly marked in substantially the following manner to show the intended purpose of the document:

(a) “For review only”;

(b) “Not for construction”; or

(c) “Preliminary.”

12. A licensee is not required to stamp the following documents:

- (a) An engineering as-built plan or record plan;
- (b) A report which includes observations concerning the progress of the construction of a project;
- (c) An estimate of the costs of a project; or
- (d) A shop drawing that is not required by the specifications of a project.

13. A licensee may revise original plans prepared by another licensee only if:

- (a) The licensee proposing to revise the plans:
 - (1) Obtains the consent of the licensee who prepared the original plans; or
 - (2) Made every reasonable effort to notify and obtain the consent of the licensee who prepared the original plans and the licensee proposing to revise the plan is part of the same firm that prepared the original plans;
- (b) The proposed revisions are within the scope of practice of the licensee proposing to revise the plans;
- (c) The licensee proposing to revise the plans assumes full responsibility for those revisions and the effects of those revisions upon the remainder of the project; and
- (d) The revisions to the original plans comply with applicable state and local laws.

Sec. 4. NAC 625.630 is hereby amended to read as follows:

625.630 1. A licensee or firm shall not advertise for or offer to perform:

- (a) Land surveying, if the licensee or a member of the firm has not been licensed to perform such work by the Board unless the licensee or firm has a full-time partner, associate, officer or employee licensed to practice land surveying; or

(b) Engineering in a discipline of professional engineering in which the licensee or a member of the firm has not been licensed by the Board, unless the licensee or firm has a full-time partner, associate, officer or employee licensed to practice in that discipline of engineering.

2. Licensees and firms shall not:

(a) Advertise for land surveying in violation of subsection 1 and thereafter seek to employ persons qualified to do the work only after the work has been obtained.

(b) Advertise for work in a discipline of engineering in which they are not licensed in violation of subsection 1 and thereafter seek to employ persons qualified to do the work only after the work has been obtained. Professional engineers and firms may solicit work only in those disciplines of engineering in which they are licensed.

3. As used in this section, “full-time employee” means a person who ~~is~~
~~—(a) Devotes]~~ *devotes* his or her working time in the actual employ of the licensee or firm and not merely as a consultant . ~~is; and~~

~~—(b) Is generally present, during normal business hours, in the local office of the employer for which he or she is employed.]~~

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 chooses to only employ 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 chooses to not employ a licensed structural engineer or if its civil engineer chooses 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.

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://nvbpels.org/business-impact-survey-results>

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

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 employ 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.

4 – Considerations were made to reduce impact of proposed regulation

Concerns related to possible impacts on civil engineering small businesses were taken into account during the drafting of the proposed amendment, but a greater weighting was placed on the consideration of 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 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.

Certification by Person Responsible for the Agency

I, Patty Mamola, Executive Director of the Nevada State Board of Professional Engineers and Land Surveyors certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed amendments to the regulation on small businesses, and information contained in this statement was prepared properly and is accurate.

A handwritten signature in black ink that reads "Patty Mamola". The signature is written in a cursive style with a large initial "P".

April 17, 2018

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://nvbpels.org/business-impact-survey-results>

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.

Certification by Person Responsible for the Agency

I, Patty Mamola, Executive Director of the Nevada State Board of Professional Engineers and Land Surveyors certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed amendments to the regulation on small businesses, and information contained in this statement was prepared properly and is accurate.

A handwritten signature in black ink that reads "Patty Mamola". The signature is written in a cursive style with a large initial "P" and "M".

April 17, 2018

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 <https://nvbpels.org/business-impact-survey-results>

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 licensee’s 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.

Certification by Person Responsible for the Agency

I, Patty Mamola, Executive Director of the Nevada State Board of Professional Engineers and Land Surveyors certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed amendments to the regulation on small businesses, and information contained in this statement was prepared properly and is accurate.

A handwritten signature in black ink that reads "Patty Mamola". The signature is written in a cursive style with a large initial "P" and a long horizontal stroke extending to the right.

April 17, 2018

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 <https://nvbpels.org/business-impact-survey-results>

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.

Certification by Person Responsible for the Agency

I, Patty Mamola, Executive Director of the Nevada State Board of Professional Engineers and Land Surveyors certify to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed amendments to the regulation on small businesses, and information contained in this statement was prepared properly and is accurate.

A handwritten signature in black ink that reads "Patty Mamola". The signature is written in a cursive style with a large, stylized initial "P".

April 17, 2018