

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.nvbpeels.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.