

**SMALL BUSINESS IMPACT STATEMENT  
LCB FILE NO. R115-15**

**LCB File No. R115-15 Small Business Impact Statement pursuant to NRS 233B.0608:**

**(a) A description of the manner in which comment was solicited from affected small business, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.**

The Commission for Common-Interest Communities and Condominium Hotels (Commission) discussed an agenda item regarding possible changes to regulations at the September 2015 meeting. The Commission decided to move forward with the proposed language.

The agenda was posted on the Real Estate Division (Division) website, State Public Notice website, and sent to several real estate and community manager associations within the State.

Interested persons may obtain a copy of the small business impact statement or submit statements of impact to:

Teralyn Thompson, Administration Section Manager  
Nevada Real Estate Division  
2501 East Sahara Avenue, Suite 303  
Las Vegas, NV 89104  
[tlthompson@red.nv.gov](mailto:tlthompson@red.nv.gov)  
702-486-4036

**(b) The manner in which the small business analysis was conducted for LCB File No. R115-15.**

The Division will post the proposed regulation on the Division's website and distributed through the Division's posting list which includes industry associations and members who might be interested.

**(c) The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:**

**(1) Both adverse and beneficial effects:**

**(i) Adverse effects:**

Proposed changes to NAC 116A.515 will increase existing regulatory fees for

licensees.

**(II) Beneficial effects:**

Proposed changes to NAC 116A.515 to increase licensing application fees was supported by the community management industry to ensure that Division could complete its Ombudsman section functions which provide for dispute resolutions which benefits homeowners and community managers.

The proposed change to NAC 116A.325 which limits month to month contracts not to exceed three months ensures that community managers are able to function within the law through appropriate homeowner association board oversight.

**(2) Both direct and indirect effects.**

**(I) Direct effect:**

Proposed changes to NAC 116A.325 would directly affect community managers who are currently on a month to month contract with associations that they manage.

**(II) Indirect effect:**

No indirect effect to small businesses

**(d) A description of the methods that the Real Estate Division considered to reduce the impact of LCB File No. R115-15 on small businesses and a statement whether the Real Estate Division actually used any part of those methods.**

The Division has not considered a method to reduce the impact of LCB File No. R115-15 on small businesses at this time.

**(e) The estimated cost to the agency for enforcement of the proposed regulation.**

There is no cost to the agency for enforcement of the proposed regulation.

**(f) If LCB File No. R115-15 provides a new fee or increases an existing fee, the total annual amount the Real Estate Division expects to collect and the manner in which the money will be used.**

Proposed change to NAC 116.445 to increase the annual fee from \$3.00 to \$4.25 would result in collecting \$628,260.00 in FY17 and the proposed changes to NAC 116A.515 to increase the application fees for a community manager certificate and a temporary certificate will result in collecting an estimated \$34,200.00.

Existing fees fund the Ombudsman's Office budget account through the use of reserve funds. The increase in fees will stabilize the depletion of the reserve fund and provide

adequate operating expenses.

**(g) If LCB File No. R115-15 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.**

LCB File No. R115-15 does not duplicate any existing federal, state or local standards regulating the same activity.

**(h) The reasons for the conclusions of the Real Estate Division regarding the impact of LCB File No. R115-15 on small businesses.**

Staff from the Division has attended the public meeting of the Commission, listened to and observed discussions and public comments. There have not been any comments from small businesses regarding the change to regulation

*I certify that, to the best of my knowledge or belief, the information contained in the Small Business Impact Statement for LCB File No. R115-15 was prepared properly and is accurate.*

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**Joseph (JD) Decker, Administrator**  
Department of Business & Industry  
Real Estate Division

### **NRS 233B.0608(3) Statement**

- 1. Identify the methods used by the agency in determining the impact of the proposed regulation on a small business.**

The proposed regulation does not have an impact on small businesses.

- 2. Identify the reasons for the conclusions of the agency concerning the impact of the proposed regulation on a small business.**

Staff from the Division has attended the public meeting of the Commission, listened to and observed discussions and public comments. There have not been any comments from small businesses regarding the change to regulation

***I certify that, to the best of my knowledge or belief, a concerted effort was made to determine the impact of the proposed regulation on small businesses and that the information contained in this statement is accurate. (NRS 233B.0608(3))***

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**Joseph (JD) Decker, Administrator**  
Department of Business & Industry  
Real Estate Division