

SMALL BUSINESS IMPACT STATEMENT
LCB FILE NO. R130-16
November 7, 2016

LCB File No. R130-16 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 Real Estate Division (Division) has been working with attorneys who represent time-share companies regarding changes to the regulation. Proposed changes were submitted and incorporated into the agency draft of the proposed regulation. The majority of the proposed amendments are made to conform with Senate Bill 383 and Assembly Bill 404 from the 2013 Legislative Session.

The Division conducted a meeting with attorneys who represent time-share companies and with brokers for time-share projects on September 13, 2016. There were many comments regarding Section 31 which amends NAC 119A.260 regarding a registered representative representing more than one developer at a fixed location approved by the Division.

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
702-486-4036

(b) The manner in which the small business analysis was conducted for LCB File No. R130-16.

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. Submitted public comment will be reviewed and considered prior to the Administrator adopting proposed changes.

(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:

- Section 31 regarding a person representing more than one project under a broker. There was a comment that this amendment could result in a problem for the supervising broker.

(II) Beneficial effects:

- Section 3 regarding an abbreviated registration filing will minimize the delivery of multiple duplicative disclosures to prospective time-share purchasers in multi-site time-share plans.
- There was a comment in support of Section 31 stating that this section could benefit a prospective purchaser by allowing the representative to offer a project that best fits that lead.

(2) Both direct and indirect effects.

(I) Direct effect:

- Section 3 regarding an abbreviated registration directly affects time-share developers and prospective purchasers by eliminating duplicative disclosures.
- Section 31 directly affects small businesses. A representative representing more than one project under a developer would allow for the representative to offer different time-share projects that base suit the prospective purchaser.

(II) Indirect effect:

Other amendments to the proposed regulation are in conformance with Senate Bill 383 and Assembly Bill 404 from the 2013 Legislative Session which became effective July 1, 2013.

(d) A description of the methods that the Real Estate Division considered to reduce the impact of LCB File No. R130-16 on small businesses and a statement whether the Real Estate Division actually used any part of those methods.

The Division has not considered methods to reduce the impact of the proposed regulation on small businesses.

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

No additional estimated costs to the agency for enforcement of the proposed regulation.

(f) If LCB File No. R130-16 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.

This proposed regulation provides for possible new fees in which the Division will use to

contribute to the General Fund.

(g) If LCB File No. R130-16 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. R130-16 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. R130-16 on small businesses.

The Division has come to these conclusions based on public comments presented at the meeting on September 13, 2016 and other discussion with members of the time-share industry.

I certify that, to the best of my knowledge or belief, the information contained in the Small Business Impact Statement for LCB File No. R130-16 was prepared properly and is accurate.

Sharath Chandra, 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 Real Estate Division (Division) has been working with attorneys who represent time-share companies regarding changes to the regulation. Proposed changes were submitted and incorporated into the agency draft of the proposed regulation. The majority of the proposed amendments are made to conform to Senate Bill 383 and Assembly Bill 404 from the 2013 Legislative Session.

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

The Division has come to these conclusions based on public comments presented at the meeting on September 13, 2016 and other discussion with members of the time-share industry.

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))

Sharath Chandra, Administrator
Department of Business & Industry
Real Estate Division