

**SMALL BUSINESS IMPACT STATEMENT
CHANGES TO NAC 116
LCB File: R129-21**

January 28, 2022

1. LCB File: R129-21 Changes to NAC 116 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 will post proposed changes to NAC 116 on the Division's website for the public to review and comment. Division will also send proposed changes to licensees, organizations, associations, interested parties and businesses related to this profession. Along with the proposed changes to NAC 116 a survey will be posted for small businesses to complete regarding how the proposed changes will affect their business.

The Small Business Impact Statement is available on the Division's website at www.red.nv.gov.

The Small Business Survey can be accessed on the Division's website.

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

Shareece Bates, Administration Section Manager
Nevada Real Estate Division
3300 West Sahara Avenue, Suite 350
Las Vegas, NV 89102
publiccomments@red.nv.gov

(b) The manner in which the small business analysis was conducted changes to NAC 116.

The Division will post the notice of proposed changes to NAC 116 for a period of thirty (30) days, an analysis of the effect on small businesses will be done after a review of all the comments, survey results and statements received from small business and interested parties.

(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:

NAC 116.385; NAC 116.410; NAC 116.435; NAC 116.465; NAC 116.470; NAC 116.550; NAC 116A.350; NAC 116B.360; - There should be no adverse effect on small businesses as there is no additional cost to submit information to the Division by executive board members of homeowners associations.

(II) Beneficial effects:

NAC 116.385; NAC 116.410; NAC 116.435; NAC 116.465; NAC 116.470; NAC 116.550; NAC 116A.350; NAC 116B.360; - The change may benefit small businesses involved in the collection of past due obligations of unit's owners and preparation of certificates for the resale of the unit by increasing the fees to offset the costs of collecting.

(2) Both direct and indirect effects.

(I) Direct effect:

NAC 116.385; NAC 116.410; NAC 116.435; NAC 116.465; NAC 116.470; NAC 116.550; NAC 116A.350; NAC 116B.360; - The change may help reduce the cost of collection activities of small businesses involved in the collection of past due unit owners' fees. Additional effects on small businesses will be assessed after the 30-day comment period and an analysis of surveys received from small businesses.

(II) Indirect effect:

NAC 116.385; NAC 116.410; NAC 116.435; NAC 116.465; NAC 116.470; NAC 116.550; NAC 116A.350; NAC 116B.360; - Does not indirectly economic effect on small businesses. Additional effects on small businesses will be assessed after the 30-day comment period and an analysis of surveys received from small businesses.

(d) A description of the methods that the Real Estate Division considered to reduce the impact of Changes to NAC 116 on small businesses and a statement whether the Real Estate Division actually used any part of those methods.

The Commission will consider methods to reduce the impact of the proposed regulation on small businesses based on comments, survey results and statements received after the 30-day comment period.

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

There will be no additional cost to the agency for enforcement of the proposed regulations.

(f) If Changes to NAC 116 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.

The fee increases in the proposed regulations were established in Statute. Conforming changes are being made in these proposed regulations. The increase in fees proposed in the regulation allows businesses involved in the collection of past due obligations of unit's owners and preparation of certificates for the resale of the unit to increasing the fees to offset the costs of collecting. The Division does not collect or use this money.

(g) If Changes to NAC 116 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.

The proposed regulation does not include any provisions which duplicate or are more stringent than federal, state or local standards.

(h) The reasons for the conclusions of the Real Estate Division regarding the impact of Changes to NAC 116 on small businesses.

The Commission for Common-Interest Communities and staff from the Real Estate Division after attending public meetings of the Commission for Common-Interest Communities and Condominium Hotels and reviewing surveys, listening to and observing public comments by industry professionals will come to a proper conclusion regarding the impact of the changes to NAC 116. The final Small Business Impact Statement will reflect all the input received. This impact statement will be updated as additional comments are received and determinations are made by the Commission.

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