

FORM #4

NEVADA STATE ENVIRONMENTAL COMMISSION
SMALL BUSINESS IMPACT DISCLOSURE PROCESS
PURSUANT TO 233B "Nevada Administrative Procedures Act"

RE: P2017-02. Amendment to NAC 445B.575.

By: Nevada Division of Environmental Protection (NDEP), Bureaus of Air Pollution Control and Air Quality Planning

The purpose of this form is to provide a framework pursuant to NRS 233B.0608 to determine whether a small business impact statement is required for submittal of a proposed regulation before the State Environmental Commission (SEC).

Note: Small Business is defined as a "business conducted for profit which employs fewer than 150 full-time or part-time employees" (NRS 233B.0382).

PART 1

1. Does this proposed regulation impose a direct and significant economic burden upon a small business? *(state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 and simply referred to; and if yes reference the small business impact statement as attached)*

Answer: No. The proposed regulation would not impose a direct and significant economic burden to any small businesses in Nevada. It would allow owners of the affected Volkswagen Group vehicles to continue to register and operate their vehicles on Nevada's roadways, where they otherwise would be prohibited from doing so due to the presence in the vehicles of devices for the control of pollution that are not correctly installed and not in operating condition. It is expected that the majority of owners of affected vehicles will choose to either participate in the lease termination/buyback provisions of the Volkswagen Settlement, or to have their vehicle's emissions system repaired by Volkswagen Group.

2. Does this proposed regulation restrict the formation, operation or expansion of a small business? *(state yes or no. If no, please explain and submit the applicable documentation, which can also be addressed in #8 and simply referred to; and if yes reference the small business impact statement as attached)*

Answer: No. The proposed amendments do not restrict the formation, operation or expansion of a small business.

3. If Yes to either of questions 1 & 2, the following action must be taken:

A. Was a small business impact statement prepared and was it available at the public workshop? *(yes or no, attach a copy of the statement or if a statement was not completed please explain)*

Answer: Yes; please see the attached.

B. Attach the Small Business Impact Statement as part of Form #4 upon submission of the

proposed regulation to the SEC when Form #1 (petition to the Commission) is submitted.

Answer: Please see the attached document.

PART 2

**SMALL BUSINESS IMPACT STATEMENT
(NRS 233B.0609)**

1. Describe the manner in which comment was solicited from affected small businesses, a summary of the response from small businesses and an explanation of the manner in which other interested persons may obtain a copy of the summary. *(Attach copies of the comments received and copies of any workshop attendance sheets noting which are small businesses.)*

Answer: Comments were first solicited through the April 12, 2017 T2017-02 workshop which was held in Carson City and video conferenced to Las Vegas. Comment for P2017-02 will be solicited through a workshop held in Carson City and video conferenced to Las Vegas on July 25, 2017. Notices of the workshop and an invitation for comments will be posted in all county public libraries, the NDEP buildings in Carson City and Las Vegas, the NDEP website, the Legislative Council Bureau's website, and the official State website. The workshop notice will also be emailed to a distribution list maintained by the NDEP Bureau of Air Quality Planning. A summary of the workshop will be posted on the SEC web site at <http://sec.nv.gov/index.htm> under the heading for the September 13, 2017 SEC Hearing.

2. The manner in which the analysis was conducted.

Answer: The NDEP determined that no businesses would be impacted based on a careful analysis of the proposed regulation and any potential affect it would have on small business.

3. The estimated economic effect of the proposed regulation on small businesses:

Answer: a. No economic effects are expected.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses. *(Include a discussion of any considerations of the methods listed below.)*

A. Simplification of the proposed regulation.

Answer: There is no impact on small business.

B. Establishment of different standards of compliance for a small business.

Answer: The regulation does not impact small business.

- C. Modification of fees or fines so that a small business is authorized to pay a lower fee or fine.

Answer: The proposed regulation does not address fees or fines.

5. The estimated cost to the agency for enforcement of the proposed regulation. *(Include a discussion of the methods used to estimate those costs.)*

Answer: The proposed regulation does not require enforcement by the agency; therefore, there are no associated costs.

6. If this regulation provides for a new fee or increases an existing fee, the total annual amount the agency expects to collect and manner in which the money will be used.

Answer: The proposed regulation does not address fees.

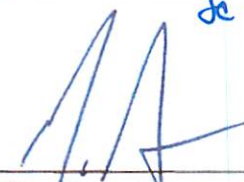
7. If the proposed regulation includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity, provide an explanation of why the proposed regulation is duplicative or more stringent and why it is necessary.

Answer: The regulation does not duplicate nor is it more stringent than any existing federal, state, or local regulations.

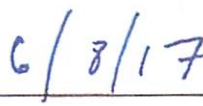
8. The reasons for the conclusions regarding the impact of a regulation on small businesses.

Answer: The conclusions regarding the impact of the regulation on small businesses are based on the consideration that the amendment does not in any way affect or impact small businesses. This is founded on the reasoning that the regulation does not directly apply to small businesses. If any small businesses owned one of the vehicles subject to the regulation amendment, then the amendment would have a beneficial impact on the business due to eliminating the requirement of removing the vehicle from business service. Businesses that supply parts or repair services to these particular vehicles would also benefit due to being able to continue to supply those services to vehicles that would otherwise be required to be removed from the roadway.

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 a small business and that the information contained in this statement was prepared properly and is accurate.



Greg Lovato
Administrator, NDEP



Date