

Form #4

Small Business Impact Disclosure and Statement

Approved 5-2-2014



NEVADA
STATE ENVIRONMENTAL
COMMISSION

The purpose of this form is to provide a framework pursuant to NRS 233B.0608 for drafting and submitting a Small Business Impact Statement (SBIS) to the State Environmental Commission (SEC) and to determine whether a SBIS is required to be noticed and available at the public workshop. A SBIS must be completed and submitted to the Legislative Counsel Bureau for ALL adopted regulations.

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

To determine whether a SBIS must be noticed and available at the public workshop, answer the following questions:

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 on the SBIS and simply referred to; and if yes, reference the attached SBIS)*

The Nevada Division of Environmental Protection, Bureau of Mining Regulation (NDEP-BMRR) has tentatively determined that the proposed amendment to regulation does not impose a direct and significant financial impact on small business and will come to a full and proper conclusion regarding the impact of the proposed amendment after public workshops are conducted and survey responses are received from small businesses.

It is unlikely that small businesses will be impacted by this regulation because it is unlikely that a small business is responsible for reclamation of exploration or mining projects in other states. Thus the business could not possess a lack of "good standing" with other states or federal entities in relation to reclamation and would not be restricted from obtaining a permit pursuant to this regulation.

It is possible that fewer new mining operations may be permitted in Nevada as a result of this regulatory amendment and that could include small businesses. It is more likely that an applicant for a reclamation permit would remove persons with controlling interest from their business who are "bad actors" from such positions so that their application may be processed and an exploration or mining permit may be issued, rather than abandoning a project. Thus, the mining industry, including small businesses, will likely not realize any economic burden. Informal feedback received from the Nevada Mining Association supports this conclusion.

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 on the SBIS and simply referred to; and if yes, reference the attached SBIS)*

Yes. A small business with "persons with controlling interest", as defined in AB148, who are not in good standing with federal agencies and other states in relation to reclamation, may not obtain a reclamation permit in Nevada, and thus will be restricted from initiating an exploration project or mining operation in this state.

If **Yes** to either of question 1 & 2, a SBIS must be noticed and available at the public workshop.

FORM 4: SMALL BUSINESS IMPACT STATEMENT (NRS 233B.0609)
(Provide attachments as needed)

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 identified as a small business.)*

NDEP-BMRR informally solicited feedback from the Nevada Mining Association on the proposed regulatory amendment and received no opposition to the assumption that the amendment does not impose a significant financial impact. Written notice of proposed changes and public workshops will be posted in newspapers, public spaces, and on the SEC website in November of 2021. A survey will be available for small businesses to complete regarding how the proposed changes will impact their business. Public workshops will be scheduled for December. Interested parties and businesses may obtain a copy of the small business impact statement or submit statements of impact to: Todd Process, Reclamation Branch Supervisor, Bureau of Mining Regulation and Reclamation, Nevada Division of Environmental Protection, Department of Conservation and Natural Resources, 901 S. Stewart Street, Suite 4001, Carson City, NV 89701.

2. The manner in which the analysis was conducted (if an impact was determined).

NDEP-BMRR provided the proposed regulatory amendment to, and informally solicited feedback from, the Nevada Mining Association. The notice of proposed changes will be posted on NDEP-BMRR's website, and a survey will be available for small businesses to complete regarding how the proposed changes will impact their business. Public workshops will be scheduled for December. At the close of the public comment period and after survey results are received, an analysis of the impact on small businesses will be completed after a review of all the comments, survey results, and statements received from small businesses and interested parties.

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

NDEP estimates that the economic effect on the mining industry, including small businesses, either positive or negative, is negligible.

a. Both adverse and beneficial effects:

It is possible, though unlikely, that fewer new mining operations proposed by small businesses may be permitted in Nevada as a result of this regulation.

b. Both direct and indirect effects:

The immediate and long-term economic effects to the mining industry are estimated to be negligible.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulation on small businesses and a statement regarding whether the agency actually used any of the methods. (Include a discussion of any considerations of the methods listed below.)

NDEP-BMRR will consider methods to reduce the impact of the proposed regulation on small businesses if necessary based on comments, survey results, and statements received after the comment period.

A. Simplification of the proposed regulation:

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

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

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

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

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.

This regulation does not provide for or increase an existing fee.

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 such duplicative or more stringent provisions are necessary.

Not Applicable.

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

It is unlikely that small businesses will be impacted by this regulation because it is unlikely that a small business is responsible for reclamation of exploration or mining projects in other states. Thus the business could not possess a lack of "good standing" with these entities and would not be restricted from obtaining a permit pursuant to this regulation.

It is possible that fewer new mining operations may be permitted in Nevada as a result of this regulatory amendment, including small businesses. It is more likely that an applicant for a reclamation permit would remove persons with controlling interest from their business who are "bad actors" from such positions so that their application may be processed and an exploration or mining permit may be issued, rather than abandoning a project. Thus, the mining industry, including small businesses, will likely not realize any economic burden.

Informal feedback received from the Nevada Mining Association supports NDEP-BMRR's conclusion that the regulation will not cause a burden to small business.

NDEP-BMRR is soliciting feedback from the mining and small business communities to further evaluate potential impact to small businesses. NDEP-BMRR will come to a full and proper conclusion regarding the impact of the regulation after public workshops are conducted and survey responses are received.

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 the information contained in this statement was prepared properly and is accurate.



Administrator, NDEP



Date

Supporting Documents



Attach copies of the comments received and copies of any workshop attendance sheets, noting which are identified as a small business.

<http://www.leg.state.nv.us/Statutes/77th2013/Stats201314.html#Stats201314page2304>