BUSINESS IMPACT STATEMENT

The following business impact statement was prepared pursuant to NRS 237.090 to address the proposed impact of an ordinance amending Title 4 <u>Licenses and Business Regulations</u>, Chapter 4.04 <u>Business Licenses</u>, Section 4.04.107 <u>Public Utilities</u> by increasing business license fees on electric services by .5% effective September 1, 2013 and other matters properly related thereto. The revenue generated from this increase will fund the costs needed in the Carson City General fund to maintain services at their current levels.

1. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

The proposed ordinance amending Chapter 4.04 of the Carson City Municipal Code regarding an increase has been presented to the Carson City Area Chamber of Commerce, Builders Association of Western Nevada, Manufacturing & Industrial Association and to the public through news reports.

A notice was posted on the Carson City website (www.carson.org) A copy of this Business Impact Statement is also available at the Carson City Finance Department, 201 N. Carson St. Suite 3, Carson City, Nevada 89701.

objections to the increase in electric utility business license fees have been received to date.

- 2. The estimated economic effect of the proposed rule on businesses including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:
 - a. Adverse effects:
 - A .5% increase in electric utility bills.
 - b. Beneficial effects:

It is estimated that this will generate approximately \$240,000 in additional revenues in the Carson City's General Fund. This amount will fund the costs needed to maintain services at their current levels.

c. Direct effects:

The approval of this ordinance will increase fees. The total electric utility bill will increase as a result of the business licenses being increased by .5%.

d. Indirect effects:

The passing of this ordinance is sure to have indirect effects, however at this time, those effects cannot be quantified.

3. The following constitutes a description of the methods that the governing body of the local government considered to reduce the impact of the proposed ordinances on businesses and a statement regarding whether any, and if so which, of these methods were used:

The current economic climate necessitated reductions in operations costs and examination of other taxes, fees and/or charges that may be implemented. The City has reduced it's workforce by approximately 92 FTE's since FY 2007 and has had to reduce the general fund budget due to the shortfall in sales tax revenues by approximately \$10 million since FY 2007. Additionally, costs passed down from the State of Nevada for assessments associated with Health and Human Services, Juvenile Services, and Parole and Probation as a result of the 2011 and 2013 Legislative Sessions have required the City to utilize all means necessary to increase general fund revenues.

4. The governing body estimates that the annual cost to the local government for enforcement of the proposed ordinance is:

There should be no increase in costs, as the utilities normally collect utility business license fees and they deal with rates and customer charges everyday. If there is any cost impact, it would be very small.

5. The proposed ordinance increases the existing fees and the total annual amount expected to be collected is:

Annual total of monthly charges: Electric \$240,000;

6. The proposed ordinance includes provisions which duplicate or are more stringent than federal, state or local standards regulating the same activity. The following explains why such duplicative or more stringent provisions are necessary.

The proposed change is not duplicative, or more stringent than existing federal, state or local standards.

OBJECTION PROCESS

- 1. If a business believes it is aggrieved by a rule (as defined in NRS 237.060) adopted by the governing body, the business may object by filing a petition in writing with the clerk/secretary of the local government at 201 North Carson Street, Ste. 1, Carson City, NV 89701.
- 2. The governing body will accept such petitions for a period of thirty (30) days following approval of the subject Rule for one of the following reasons:
 - a. The governing body failed to prepare a business impact statement as required pursuant to NRS Chapter 237; or
 - b. The business impact statement prepared by the governing body did not consider or significantly underestimate the economic effect of the ordinance or rule on business.
- 3. Upon receipt of the petition, the clerk/secretary will forward a copy to the local government's attorney, the department/agency that generated the Rule and the local government's manager/chief executive.
- 4. Staff will consider the merits of the petition and forward a recommendation to the governing body.
- 5. The governing body will determine if the petition has merit and direct staff accordingly.
- 6. A sample petition is attached.

PETITION OBJECTING TO ADOPTION OF RULE

NRS 237.100 provides that a business that is aggrieved by an ordinance, regulation, resolution or other type of instrument through which a governing body exercises legislative powers, except pursuant to Chapter 271, 278, 278A and 278B of NRS (herein a "Rule") adopted by the governing body may object to all or a part of the Rule by filing a petition. This petition form is provided to assist those who wish to object. The petition must be filed with the clerk/secretary of the local government at 201 North Carson Street, Ste. 1, Carson City, NV 89701, within 30 days after the date on which the Rule was adopted.

Petitioner's name (Include name of the business or proposed business and whether it is a corporation, partnership, sole proprietorship, fictitious name):

Petitioner's type of business:		
Petitioner's business location:	Street	
City	County	, State
Petitioner's mailing address (If diff	Gerent from above):	
Petitioner's phone number: ()		
Petitioner is objecting to the follow	ving:	
(Identify the Rule to which Petition regulation or other instrument. Plea		her it is an ordinance, resolution
The basis of Petitioner's objection	is as follows:	
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By signing below, the signor of this business identified above and has been of the business.		1 = 0
	Business Name	
	By: Title of Signor:	