



BUSINESS IMPACT STATEMENT ENVIRONMENTAL HEALTH FEE SCHEDULE ADJUSTMENTS

Pursuant to Nevada Revised Statutes (NRS) 237, the following information has been prepared.

SECTION A - 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

Comment was solicited in the following ways:

1. The Business Impact Survey notification was emailed to 14,666 Environmental Health permit contacts.
2. The Business Impact Survey notification was faxed and/or emailed to the following jurisdictions for posting at their offices: Henderson City Hall, Boulder City's City Hall, Mesquite City Hall, North Las Vegas City Hall, Las Vegas City Hall, Clark County Manager's Office, and Laughlin Community Resource Center.
3. The Business Impact Survey notification was mailed or emailed to the following associations: Armed Forces Chamber, Korean American Chamber of Commerce LV, Las Vegas Asian Chamber of Commerce, Boulder City Chamber of Commerce, Henderson Chamber of Commerce, Las Vegas Metro Chamber of Commerce, Las Vegas Wedding Chamber of Commerce, Latin Chamber of Commerce, Laughlin Chamber of Commerce, Mesquite Chamber of Commerce, Sin City Chamber of Commerce, Spring Valley Chamber of Commerce, Urban Chamber of Commerce, Women's Chamber of Commerce, Dairy Council of Nevada, Nevada Food Safety Task Force, Nevada Hotel and Lodging Association, Nevada Restaurant Association, Nevada Resort Association, and the Retail Association of Nevada.
4. The Business Impact Survey notification was emailed to individuals that have previously expressed interest in Environmental Health Fee Schedule adjustments.
5. The Business Impact Survey notification was given to operators of permitted commissaries for posting at their facilities.

6. SNHD held a Listening Session, in-person and via WebEx, on April 7, 2022, to gather data and comments from the public.
7. An Environmental Health Fee Schedule presentation was given to the Public Health Advisory Board on April 11, 2022.

During the comment period ending on April 15, 2022, the Health District received 106 responses. Thirty respondents said that the EH Fee Schedule adjustments would have no impact on their business.

Questions	Yes Responses	No Responses
Will the proposed EH Fee Schedule adjustments impose a direct and significant economic burden upon your business?	69	37
Will the proposed EH Fee Schedule adjustments directly restrict the formation, operation, or expansion of your business?	54	52
Will the proposed EH Fee Schedule adjustments have an estimated beneficial economic effect on your business?	6	100
Do you anticipate any indirect economic effects to your business as a result of the proposed EH Fee Schedule adjustments?	48	59

The Business Impact Statement and Summary is available at 280 South Decatur Boulevard, Las Vegas, Nevada, or a copy may be viewed online at: www.snhd.info/public-notices.

SECTION B - THE ESTIMATED ECONOMIC EFFECT OF THE PROPOSED RULE ON THE BUSINESSES WHICH IT IS TO REGULATE, INCLUDING, WITHOUT LIMITATION:

Adverse Effects:

- Businesses will pay more for services provided.

Beneficial Effects:

- Increased fees will be used to hire additional EH staff which will reduce customer wait times for permit processing, appointments, and inspections.
- Increased fees will be used to hire dedicated staff for unpermitted food vending, as requested by the community.
- Increased fees used for additional staff will allow SNHD to meet mandated inspections.
- Businesses will obtain timelier services due to increased EH staffing.
- Additional staff can help prevent community outbreaks that could negatively affect tourism.

Direct Effects:

- Businesses will have to pay 29% more for EH services provided.

Indirect Effects:

- Businesses subject to EH permitting, who service other businesses that are also subject to EH permitting, might pass increased costs to these other businesses.
- Permitted businesses may pass increased costs to consumers.

SECTION C - A DESCRIPTION OF THE METHODS THAT THE GOVERNING BODY OF THE LOCAL GOVERNMENT OR ITS DESIGNEE CONSIDERED TO REDUCE THE IMPACT OF THE PROPOSED RULE ON BUSINESSES AND A STATEMENT REGARDING WHETHER THE GOVERNING BODY OR ITS DESIGNEE ACTUALLY USED ANY OF THOSE METHODS

SNHD considered splitting the increase over two years but decided against it due to the large budget shortfall, increased demand for services, and immediate need for additional staffing.

SECTION D - THE ESTIMATED COST TO THE LOCAL GOVERNMENT FOR ENFORCEMENT OF THE PROPOSED RULE

The proposed EH Fee Schedule adjustments will not create a material administrative investment to enforce.

SECTION E - IF THE PROPOSED RULE PROVIDES A NEW FEE OR INCREASES IN EXISTING FEE, THE TOTAL ANNUAL AMOUNT THE LOCAL GOVERNMENT EXPECTS TO COLLECT AND THE MANNER IN WHICH THE MONEY WILL BE USED

The Environmental Health (EH) division of the Health District has not had an overall fee adjustment approved by the Board of Health since 2009. As a result, permit fees have not changed while operating costs have increased. Please note, the Consumer Price Index has increased 33% over this same period of time.

Fiscal Year		Revenues	Expenditures	Net Loss
FY20	Actual	\$ 19,145,478	\$ 21,359,253	\$ (2,213,775)
FY21	Actual	\$ 20,751,999	\$ 22,074,164	\$ (1,322,164)
FY22	Projected	\$ 19,654,013	\$ 22,736,388	\$ (3,082,376)

The EH division is anticipating a \$3 million shortfall and has a need to keep up with growth in the community. Overall, permits have steadily increased since 2011, and additional staff is needed to be able to meet mandated inspection requirements and continue to provide good customer service. EH and Finance staff calculated that a 29% adjustment to current fees would provide the necessary financial resources to break even and meet community needs.

The Health District proposes the following EH Fee Schedule adjustments effective July 1, 2022:

1. 29% fee increase to all fees on the EH Fee Schedule.
2. Tie the EH Fee Schedule to the Consumer Price Index (Western Region) with an annual adjustment of a 1% floor and a 3% ceiling beginning July 1, 2023.

The proposed changes are projected to initially increase EH division revenue by \$5,870,654 in Fiscal Year 2023 (July 1, 2022 to June 30, 2023) and between 1-3% annually thereafter based on the Consumer Price Index. Funds will be used to reduce the budget shortfall in Environmental Health and hire additional staff.

SECTION F - IF THE PROPOSED RULE 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 EH Fee Schedule adjustments are not duplicate or more stringent than Federal, State, or local standards.

SECTION G - THE REASONS FOR THE CONCLUSIONS REGARDING THE IMPACT OF THE PROPOSED RULE ON BUSINESSES

SNHD has concluded that although there may be an economic impact on some businesses, the approval of the proposed EH Fee Schedule adjustments is not likely to impose a direct and significant economic burden upon businesses or directly restrict the formation, operation, or expansion of businesses. Permit fees are paid annually.

Pursuant to NRS 237.090, the BOH will hold a PUBLIC HEARING considering this Business Impact Statement at a virtual meeting on Tuesday, May 3, 2022, at 2:00 p.m. The BOH will review and consider approval of the proposed Environmental Health Fee Schedule adjustments at a PUBLIC HEARING on Thursday, May 26, 2022, at 9:00 a.m. virtually and at 280 South Decatur Boulevard.

I, Christopher Saxton, certify that, to the best of my knowledge or belief, the information contained in the statement was prepared properly and is accurate:

-S-

Christopher Saxton, MPH-EH, REHS
Director of Environmental Health

4/18/2022

Date