



**DEPARTMENT OF BUSINESS AND INDUSTRY
DIVISION OF INDUSTRIAL RELATIONS**

SMALL BUSINESS IMPACT STATEMENT
AS REQUIRED BY NRS 233B.0608 AND 233B.0609
Temporary Regulation regarding NAC 455C.114
(Exemptions for brazed plate heat exchangers)

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).

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

ANSWER: To determine whether the proposed regulation is likely to have an impact on small businesses, the Division considered the purpose and scope of the proposed regulation. The proposed temporary regulation would provide an exemption from the application of NAC Chapter 455C to brazed plate heat exchangers under certain instances.

On November 19, 2024, the Division sent out a Small Business Impact Statement Questionnaire to interested parties on the Division’s Mechanical Compliance Section Listserv, which includes 196 recipients. Additionally, on November 20, 2024, the Division also sent out the Small Business Impact Statement Questionnaire to the Administrator’s list of business stakeholders, which consists of 90 recipients. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The Division also placed a link on its website to the questionnaire for interested parties to complete, should they so choose. The deadline to return the questionnaire was November 26, 2024. As of this date, the Division received one (1) response, which may be summarized as follows:

1. Waylon Lowery, PE, of Efficient Mechanical Systems Engineering – Mr. Lowery indicated that the proposed temporary regulation would not have an economic effect, adverse or beneficial, on his business. Mr. Lowery further noted that he did not believe that the proposed temporary regulation would have an indirect adverse effect on his business. Mr. Lowery believes the regulation would have an indirect beneficial effect on his business, noting, “I anticipate that with the code changes allowing non-ASME brazed plate heat exchangers[,] that will free up funds for more customers to hire my company to design Air Cooled Chiller systems.”

Based on this review, the Division determined that this regulation will have no direct effect

on small businesses, either adverse or beneficial, and will also have no indirect adverse effect on small businesses. However, as indicated by Mr. Lowery's response, there may be an indirect beneficial effect on small businesses as a result of the temporary regulation.

2. The manner in which the analysis was conducted.

ANSWER: As noted in Answer 1, on November 19, 2024 and November 20, 2024, the Division sent out a Small Business Impact Statement Questionnaire to interested parties on the Division's various Listservs affecting the Mechanical Compliance Section. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return the questionnaire was November 26, 2024. As of this date, the Division received one (1) response, which may be summarized as follows:

1. Waylon Lowery, PE, of Efficient Mechanical Systems Engineering – Mr. Lowery indicated that the proposed temporary regulation would not have an economic effect, adverse or beneficial, on his business. Mr. Lowery further noted that he did not believe that the proposed temporary regulation would have an indirect adverse effect on his business. Mr. Lowery believes the regulation would have an indirect beneficial effect on his business, noting, "I anticipate that with the code changes allowing non-ASME brazed plate heat exchangers[,] that will free up funds for more customers to hire my company to design Air Cooled Chiller systems."

3. The estimated economic effect of the proposed regulation on the small businesses which it is to regulate, including, without limitation:

- (a) Both adverse and beneficial effects; and
- (b) Both direct and indirect effects.

ANSWER: The Division anticipates no adverse effects, either direct or indirect, on regulated businesses as the result of these regulations. The adverse effects, if any, are difficult to determine at this time. There will be no direct or indirect cost to regulated or small businesses. As noted in Answer 1, and as indicated by Mr. Lowery's response, there may be an indirect beneficial effect on small businesses as a result of the temporary regulation, namely that "with the code changes allowing non-ASME brazed plate heat exchangers[,] that will free up funds for more customers to hire my company to design Air Cooled Chiller systems."

4. Describe 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 those methods.

ANSWER: Because there will be no adverse impacts on small businesses in general, there are no methods available to reduce the impact the Division could have considered.

5. The estimated cost to the agency for enforcement of the proposed regulation.

ANSWER: There is no additional cost to the agency for enforcement of this regulation.

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

ANSWER: The proposed regulation does not provide for a new fee or increase an existing fee

payable to the Division.

7. If the proposed regulation 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.

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

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

ANSWER: The Division complied with NRS 233B.0608 by considering the purpose and scope of the proposed amendments. The proposed temporary regulation would provide an exemption from the application of NAC Chapter 455C to brazed plate heat exchangers under certain instances.

The Division made a concerted effort to determine whether the proposed regulations impose a direct or significant economic burden upon small businesses, or directly restricts the formation, operation, or expansion of a small business. Specifically, on November 19, 2024 and November 20, 2024, the Division sent out a Small Business Impact Statement Questionnaire to interested parties on the Division's Listserv related to the Mechanical Compliance Section and the Administrator's list of business stakeholders. The Questionnaire inquired from small businesses whether they believed there would be any economic effects, adverse or beneficial, direct or indirect, on their respective businesses from the proposed regulation. The deadline to return the questionnaire was November 26, 2024. The only response received by the Division to the Small Business Impact Statement Questionnaire appears in favor of the proposed temporary regulation. Thus, the Division determined that these regulations will have no adverse effect on small businesses and will not restrict the formation, operation or expansion of small businesses.

I, VICTORIA CARREÓN, Administrator of the Division of Industrial Relations, 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 the statement was prepared properly and is accurate.

DATED this 3rd day of December, 2024.


VICTORIA CARREÓN, Administrator