

SMALL BUSINESS IMPACT STATEMENT

REVISION 1

LCB File No. R067-15

1. LCB File No. R067-15 Small Business Impact Statement pursuant to NRS 233B.0608:

(a) A description of the manner in which comment was solicited from affected small business, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

The Nevada Funeral and Cemetery Services Board proposed changes to NAC 642 and NAC 451 pursuant to passage of SB286 and additional changes as a result of regulation review. The legislative subcommittee of the Funeral and Cemetery Services Board held a meeting on July 2, 2015 to discuss potential changes and those changes were approved by the Funeral and Cemetery Services Board at a meeting held on July 14, 2015. The changes were sent to the Legislative Counsel Bureau and returned as file number R067-15. A meeting was held on October 13, 2015 for review of file number R067-15 and a workshop and meeting were held on December 15, 2015 to further discuss the regulations.

Comments were solicited during public comment regarding the proposed changes. Prior to the December 15, 2015 regulation workshop, a small business impact survey was sent to all individuals and businesses on the agency's mailing list asking for information on whether the proposed changes could pose an economic impact on their small business. Fifteen businesses responded and an initial small business impact statement was prepared. During the meeting on December 15, 2015, the Board made a considerable number of changes to address the concerns presented. A second small business impact survey was sent to business owners on February 10, 2016 to ascertain whether there were still concerns regarding the impact on small businesses. There were three responses to the survey.

A summary of the responses is included below:

1 respondent stated that the changes do not affect him as he already uses licensed staff to perform all activities in his funeral home and states that the changes are increasing the professionalism in the industry.

1 respondent stated that section 33 1 (c) and (d) would increase costs as they would now be required to utilize a licensed embalmer to suture remains and mechanically set features.

1 respondent stated the following:

Section 15, Subsection 9 is too broad in its discretion of moral character determinations. (Note: this is not a financial impact to the respondent.)

Section 17, Subsection 3 regarding limiting the number of locations a funeral director can manage would require the owner to shift liability to someone other than the owner which would be contrary to their practices.

Section 34, Subsection 1(e) regarding viewing needs clarification as current language may be interpreted that a funeral home would not be able to offer an ID viewing. Suggest "public visitation" language. (Note: this section refers to direct cremation facilities and not to funeral establishments).

Section 34, Subsection 3 regarding limiting the ability of a direct cremation facility to use their name in an obituary would place those facilities at a competitive disadvantage and it does not appear to protect the public.

Section 35, Subsection 1 requiring a funeral establishment to employ or retain on a contract basis, a licensed embalmer would increase costs as the law already requires embalming to be done by a licensed embalmer.

Section 40, Subsection 3 regarding transportation. The 90 mile limitation for first calls would be problematic in such a geographically large state and would have a fiscal impact by allowing only licensed funeral directors to make such calls (Note: proposed language states funeral director or *authorized funeral home representative*).

(b) The manner in which the small business analysis was conducted for LCB File No. R067-15.

The proposed changes were discussed at meetings held on July 14, 2015, October 13, 2015, and December 15, 2015. As a result of comments from the industry members, it was determined that some of the changes could have a potential economic impact. The Board sent a Small Business Impact Survey to all licensees to gain further information on the potential impact. After a significant number of changes were made to the regulations at the December 15, 2015 meeting an additional small business impact survey was sent to all licensees.

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

(1) Both adverse and beneficial effects:

(I) Adverse effects:

Potential adverse effects as summarized by the responses above indicate that there could be increased costs by requiring licensed individuals to conduct certain activities. This may require locations to hire additional licensed staff or seek to license current staff.

(II) Beneficial effects:

Funeral industry locations which already have licensed staff performing these duties would benefit from others in the industry meeting the same standards.

(2) Both direct and indirect effects.

(I) Direct effect:

There are no direct fees, fines or costs associated with the regulation.

(II) Indirect effect:

Indirect effects include the need for funeral industry locations to hire more licensed staff or to license existing staff which increases costs for locations which do not currently utilize licensed staff to perform certain functions.

(d) A description of the methods that the agency considered to reduce the impact of LCB File No. R067-15 on small businesses and a statement whether the agency actually used any part of those methods.

A regulation workshop was held December 15th. The Funeral and Cemetery Services Board made a significant number of changes to the proposed regulations based on public input, and is now holding an additional workshop.

(e) The estimated cost to the agency for enforcement of the proposed regulation.

No additional cost to the agency for enforcement.

(f) If LCB File No. R067-15 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.

The proposed regulation does not include any increase in fees or add any new fees.

(g) If LCB File No. R067-15 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.

LCB File No R067-15 does not duplicate any existing federal, state or local standards regulating the same activity.

(h) The reasons for the conclusions of the Funeral Board regarding the impact of LCB File No. R067-15 on small businesses.

The conclusions are based on written responses received, phone calls to the Board office, and comments made during public meetings.

I certify that, to the best of my knowledge or belief, the information contained in the Small Business Impact Statement for LCB File No. R067-15 was prepared properly and is accurate.

A handwritten signature in blue ink, appearing to read 'JK', is positioned above a horizontal line.

Jennifer Kandt, Executive Director

State of Nevada Funeral and Cemetery Services Board

STATE OF NEVADA
FUNERAL AND CEMETERY SERVICES BOARD



3740 Lakeside Drive, Suite 201, Reno, Nevada 89509
Phone (775) 825-5535 * Fax (775) 507-4102
Email: nvfuneralboard@fb.nv.gov
Website: funeral.nv.gov

DR. WAYNE FAZZINO
Board Chair

JENNIFER KANDT
Executive Director

Statement required by NRS 233B.0608

To determine whether proposed regulatory changes would have an impact on small businesses, The Funeral and Cemetery Services Board discussed possible changes at meetings held on July 14, 2015, October 13, 2015, and December 15, 2015. As a result of comments from the industry members, it was determined that some of the changes could have a potential economic impact, although most of the economic impact was the result of changes to the statutes. The Board sent a Small Business Impact Survey to all licensees prior to the December 15, 2015 meeting to gain further information on the potential impact. After the meeting, a significant number of changes were again made to the regulations in order to lesson any potential impact. A second Small Business Impact Survey was sent to licensees to determine if there was still concerns regarding the impact on small businesses. The Board again made additional changes to address the concerns presented. Comments were also solicited during the public hearing and only one business requested one change. The Board adopted the regulation with the change requested by the business.

As a result of the information obtained through the surveys and the meetings and hearings, it was determined that any effect is now minimal and does not appear to be a continued concern.

I hereby 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 the information contained in this statement is accurate.

A handwritten signature in blue ink, appearing to read "JK", with a stylized flourish at the end.

Jennifer Kandt
Executive Director