

BUSINESS IMPACT STATEMENT

BILL NO. 2013-33

[An Ordinance to Update the City's Business Licensing Provisions to Permit Certain Businesses to Receive a Multi-Jurisdictional Business License, Adopt Provisions Regarding the Suspension or Revocation of Such a License and Consolidate Certain Licensing Categories for the Multi-Jurisdictional Business License]

This business impact statement was prepared pursuant to NRS 237.090 to address the impact of a proposed ordinance, Bill No. 2013-33 that would update the city's business licensing provisions to permit certain businesses to receive a multi-jurisdictional business license, adopt provisions regarding the suspension or revocation of such a license and consolidate certain licensing categories for the multi-jurisdictional business license.

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

Notice regarding the proposed ordinance was sent to approximately 3,829 licensees that could be impacted by the proposed language, comprising license types numbered C41, E03, L33, R60, S06, T09 and T10. In addition, seven local chambers of commerce were notified of the proposed amendments and the City of Las Vegas made the proposed language available on its website for review and comment, and it is still available on the City of Las Vegas website for any interested persons..

One comment was received by e-mail, which is attached hereto as Exhibit "1," and one comment was received through the City of Las Vegas website, which is attached hereto as Exhibit "2."

The comments were generally positive in nature, with both commenters indicating that a multi-jurisdictional license is a great idea and that it will help the business community. One of the commenters indicated that he was concerned that this process will ultimately require business licensing fees to rise.

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:

Adverse effects:

Those business license types that qualify for the multi-jurisdictional business license will no longer need to travel to each jurisdiction in which the business operates to obtain a business license, but merely to the jurisdiction where the primary fixed place of business is located, so this ordinance provides a benefit to businesses with their primary fixed place of business in the City.

The ordinance does act to reclassify several existing business license categories relating the maintenance of properties, such as handyman, janitorial, maid, lawn maintenance, pest control, pool and/or spa cleaning, power washing, sewer/septic pumping or cleaning, tree trimming or window

cleaning primarily at, in or upon residential structures, into a general business license category of residential property maintenance provider, and designates a \$150.00 annual business license fee. This is an increase of the existing lawn maintenance business license fee from \$100.00 annually to \$150.00 annually. These businesses, however will no longer need to obtain two business licenses to perform lawn maintenance and tree trimming. The license fee will be \$150 annually for both services. Other classifications will also allow businesses who carry multiple licenses for several different services to move to one consolidated license, with one fee. Businesses currently on a gross fee license for these services to residential services and who may now qualify for the new license may either see an increase or decrease in annual fees depending upon their individual reporting history and the services they provide. Sewer or Septic Drain Cleaning and Property Cleanup fee will remain the same, but those businesses that currently carry more than one license to perform multiple services will see a reduction in fees and the number of licenses required to conduct business.

Beneficial effects:

Once interlocal agreements are in place for multi-jurisdictional licensing, those business license types that qualify for the multi-jurisdictional business license will no longer need to travel to each jurisdiction in which the business operates to obtain a business license, but merely to the jurisdiction where the primary fixed place of business is located. In addition, approximately 80 businesses holding multiple licenses will no longer need more than one license to conduct business.

Direct effects:

None

Indirect effects:

None

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

This rule is intended to benefit those businesses that qualify for the multi-jurisdictional business license, and so no method to reduce the impact of this beneficial rule was considered.

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

Annual upkeep fees for the regional licensing system and upgrade the central repository for additional licensing is estimated at \$50,000. In addition, license consolidation, notification and enforcement are estimated at \$5,000.

5. If the proposed rule provides for a new fee or increases an existing fee, the total annual

amount expected to be collected is:

Existing businesses license fees for the specified categories will be reduced by approximately \$10,000 annually. Total fees to be collected for businesses changing to the new category and utilizing the new regional licenses are expected to be \$250,000 annually.

6. If the proposed rule provides for a new fee or increases an existing fee, the money generated by the new fee or increase in existing fee will be used by the local government to:

Any revenue from new fee categories will be used to offset enforcement costs and to raise revenue.

7. If the proposed rule includes provisions that duplicate or are more stringent than federal, state or local standards regulating the same activity, the following explains when such duplicative or more stringent provisions are necessary:

Not applicable

8. The reasons for the conclusions regarding the impact of the proposed rule on businesses:

While this ordinance acts to increase the lawn maintenance business license fee from \$100.00 annually to \$150.00 annually based upon its reclassification to property maintenance provider, the intent of this ordinance is to make it easier for certain types of businesses to receive one business license that will allow the holder of the license to do business in multiple jurisdictions without traveling to each jurisdiction to receive a license and pay a fee. On balance, the City believes that the adoption of this ordinance will have a significant positive impact on businesses permitted to use the multi-jurisdictional licensing system.

Date: June 13, 2013

By:  City Manager