

BUSINESS IMPACT STATEMENT

This Business Impact Statement was prepared in accordance with the provisions of NRS (Nevada Revised Statutes) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption of any rule***, as that term is defined in NRS 237.060, by the Lyon County Board of County Commissioners.

*** A “rule” may include an ordinance, or an action taken by the Board, that imposes, increases or changes the basis for the calculation of a fee which is paid in whole or in substantial part by businesses. A “rule” **does not** include actions that impose, increase or change the basis for the calculation of: (1) special assessments imposed pursuant to NRS chapter 271; (2) impact fees imposed pursuant to NRS chapter 278B; (3) fees for remediation imposed pursuant to NRS chapter 540A; (4) taxes ad valorem; (5) sales and use taxes; or (6) a fee that has been negotiated pursuant to a contract between a business and Lyon County. A “rule” also **does not** include: an action taken by the Board that approves, amends or augments the annual budget of Lyon County; an ordinance adopted by the Board pursuant to a provision of NRS chapter 271, 271A, 278, 278A, 278B or 350; an ordinance adopted or action taken by the Board that authorizes or relates to the issuance of bonds or other evidence of debt of Lyon County; or any rule for which Lyon County does not have the authority to consider less stringent alternatives, including, for example, a rule that Lyon County is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Lyon County has entered.

ORDINANCE OR ACTION PROPOSED FOR ADOPTION

An ordinance amending the Lyon County Code Title 4, Revenue and Taxation, Chapter 4, Motor Vehicle Fuel Tax, Subchapters 01 and 02 by imposing a new and additional five cent (\$0.05) per gallon tax on diesel fuel in Lyon County and providing for the severability, constitutionality and effective date thereof; and other matters properly relating thereto.

1. The manner in which notice was provided to the applicable trade associations and officers of businesses likely to be affected by the proposed ordinance or action, and a summary of any data, arguments or comments received from those recipients:

a. Notice

- On March 5, 2020, the Board of County Commissioners proposed an ordinance to impose a gas tax on diesel fuel in Lyon County in the amount of 5 cents per gallon.
- Email notifications were sent to the Dayton Chamber of Commerce, Fernley Chamber of Commerce, Mason Valley Chamber of Commerce, Northern Nevada Development Authority, the Nevada Trucking Association, and the Nevada Petroleum Marketers Association.
- The notification emailings consisted of an explanation in regard to the increase: the materials presented at the Board of Commissioner’s Meeting on March 5, 2020, this draft business impact statement, and the ordinance amendments that will be proposed.
- The proposed amendment along with this draft business impact statement were also available for viewing online on the Lyon County Website.

b. Summary of comments

No comments were received.

2. The estimated economic effect of the proposed ordinance or rule on businesses, including both adverse and beneficial effects, and both direct and indirect effects:

a. Adverse effects:

- Implementation of a diesel fuel tax will increase the cost of purchasing diesel fuel in Lyon County by 5 cents per gallon.

c. Beneficial effects:

- A portion of the diesel tax revenue will be used by the Nevada Department of Transportation to create truck parking areas in Lyon County.
- The remainder of the diesel tax revenue will be used to maintain or improve roads within Lyon County, the City of Fernley, and the City of Yerington.

d. Direct effects:

- The gas tax will improve the road system and truck parking in Lyon County.

e. Indirect effects:

- No known indirect effects.

3. The methods considered by the Lyon County Board of County Commissioners to reduce the impact of the proposed ordinance or action on businesses and whether any of those methods were used:

N/A

4. Estimate of the annual cost to Lyon County for enforcement of the proposed ordinance or action:

No additional costs are anticipated to enforce this ordinance.

5. The total annual amount of money expected to be collected as a result of the new fee or increase in fee proposed by the ordinance or action, and the manner in which the money will be used:

- Total revenue generated by the 5 cent tax on diesel fuel is estimated to be approximately \$2,500,000 per year.

6. The proposed ordinance or action

DOES

DOES NOT include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.

7. *The reasons for the conclusions regarding the impact of the proposed ordinance or action on businesses:*

- The reasons for the conclusions of the impact of the proposed ordinance on businesses are that there is a direct and obvious financial impact on businesses, specifically, transportation owner/operators. The funds will also be used to directly benefit owner/operators in the form of additional truck parking and increased road maintenance.

8. *Based on the information considered, it has been determined that this proposed ordinance or rule:*

DOES

DOES NOT impose a direct and significant economic burden upon a business.

DOES

DOES NOT directly restrict the formation, operation or expansion of a business.

Pursuant to NRS 237.090(3), this Business Impact Statement was completed and made available for public inspection by the Lyon County on March 26, 2020, at the time the agenda notice on which the proposed ordinance or rule described in this statement is included was posted.

Pursuant to NRS 237.090(2), I, Jeff Page, the Lyon County Manager, hereby certify that to the best of my knowledge and belief, the information contained herein was properly prepared and accurate.



Signature

3/26/2020
Date

Jeff Page
Printed Name