



# STAFF REPORT

**Report To:** Board of Supervisors

**Meeting Date:** February 15, 2018

**Staff Contact:** Dustin Boothe: dboothe@carson.org & Iris Yowell: iyowell@carson.org

**Agenda Title:** For Possible Action: To accept and place a Business Impact Statement on file with the Board of Supervisors finding that the proposed changes to CCMC Title 9, Chapter 9.05 do not impose a direct and significant economic burden on a business or that the proposed changes do not directly restrict the formation, operation, or expansion of a business.

**Staff Summary:** NRS Chapter 237.030 to 237.150, inclusive, requires the City to prepare a Business Impact Statement as a statutory prerequisite to the adoption of any rule as defined in NRS 237.060. This Business Impact Statement has been prepared in accordance with NRS 237.080. The ordinance changes being proposed to Title 9, Chapter 9.05, if adopted, will increase the cost to certain businesses operating food establishments because certain food establishments will need to employ certified food protection managers. Additionally, if food establishments do not receive an A grade, food establishments will need to pay a reinspection fee.

**Agenda Action:** Formal Action/Motion

**Time Requested:** 5 minutes

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## **Proposed Motion**

I move to accept and place a Business Impact Statement on file with the Board of Supervisors finding that the proposed changes to CCMC Title 9, Chapter 9.05 do not impose a direct and significant economic burden on a business or that the proposed changes do not directly restrict the formation, operation, or expansion of a business.

## **Board's Strategic Goal**

Safety

## **Previous Action**

N/A

## **Background/Issues & Analysis**

This business impact statement was prepared and the following notice was provided:

- On November 1, 2017, Carson City Health and Human Services mailed out approximately 300 letters to permit holders to inform them of the proposed changes to the code and inform them of a meeting that would take place on November 6, and elicit comments regarding the same. The document was posted online at: <http://gethealthycarsoncity.org/foodcodeupdate>.
- On November 6, 2017, Carson City Health and Human Services held a public meeting with permit holders and other interested parties to hear feedback on the proposed changes to the code. Comments were

heard at the meeting. Also, due to the short notification window of this meeting, the window for comments by email remained open until November 30, 2017.

- The proposed changes were revised with the comments received in mind. On December 18, 2017 Carson City Health and Human Services mailed out approximately 300 letters to permit holders to inform them of the proposed changes to the code and elicit comments regarding the same. They were also notified of a meeting that would be held on January 3, 2018. The updated document was posted online at: <http://gethealthycarsoncity.org/foodcodeupdate>.
- On January 3, 2018 a public meeting took place where we received feedback on the new draft. The document remained posted online at: <http://gethealthycarsoncity.org/foodcodeupdate>.
- On January 18, regulations were proposed to the Carson City Board of Health. The Board approved of the regulations and recommended they be taken to the Carson City Board of Supervisors and State Board of Health for final approval. The materials for that meeting can be found online at: <http://carson.org/home/showdocument?id=57658m>
- On January 19, direct mailings were sent to the Chamber of Commerce, the approximately 300 permit holders. The mailings consisted of an explanation in regard to the proposed regulations and web links to the materials presented at the Carson City Board of Health. The mailings also included a link to this draft business impact statement, the proposed ordinance, and the updated grading card. <http://gethealthycarsoncity.org/foodcodeupdate>
- Very few comments were received, and the comments were positive and understanding.
- Based on the above, staff is asking the Board of Supervisors to make a finding that the changes to CCMC do not impose a direct or significant economic burden or directly restrict the formation, operation, or expansion of a business.

**Applicable Statute, Code, Policy, Rule or Regulation**

SB 176; NRS 289.830; NRS 244A; NRS 239.080

**Financial Information**

Is there a fiscal impact?  Yes  No

If yes, account name/number: NA

Is it currently budgeted?  Yes  No

Explanation of Fiscal Impact:

**Alternatives**

The board may make the finding that the proposed ordinance does impose a direct and significant economic burden upon a business or directly restricts the formation, operation, or expansion of a business.

**Attachments:**

1) Business Impact Statement

**Board Action Taken:**

Motion: \_\_\_\_\_

1) \_\_\_\_\_ Aye/Nay

2) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)



## 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 Carson City Board of Supervisors.

\*\*\* 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 Carson City. A "rule" also **does not** include: an action taken by the Board that approves, amends or augments the annual budget of Carson City; 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 Carson City; or any rule for which Carson City does not have the authority to consider less stringent alternatives, including, for example, a rule that Carson City is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Carson City has entered.

### ORDINANCE OR ACTION PROPOSED FOR ADOPTION

AN ORDINANCE RELATING TO HEALTH AND WELFARE, AMENDING TITLE 9, CHAPTER 9.05 – FOOD ESTABLISHMENTS, ADDING AND AMENDING SECTIONS RELATED TO THE PREVENTION OF FOODBORNE ILLNESS, ADDING SECTIONS RELATING TO CERTAIN TYPES OF FOOD ESTABLISHMENTS, AMENDING GRADING OF FOOD ESTABLISHMENTS, AND AMENDING OTHER MATTERS PROPERLY RELATED 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 November 1, 2017, Carson City Health and Human Services mailed out approximately 300 letters to permit holders to inform them of the proposed changes to the code and inform them of a meeting that would take place on November 6, and elicit comments regarding the same. The document was posted online at: <http://gethealthycarsoncity.org/foodcodeupdate>.
- On November 6, 2017, Carson City Health and Human Services held a public meeting with permit holders and other interested parties to hear feedback on the proposed changes to the code. Comments were heard at the meeting. Also, due to the short notification window of this meeting, the window for

- Based on the change in grading system, food establishments that fall below an A standard will be required to be reinspected. A fee will be associated with the reinspection.

c. Beneficial effects:

- The requirement of a Certified Food Protection Manager for certain food establishments will lower the incidences of foodborne illness as staff will be more actively engaged.
- Having a letter grading system will provide clear standards that the public is used to relating to in reference to grading systems.
- A grade will be posted on an establishment and this will be posted in plain view outside the food establishment for the public to see before it enters the food establishment.

d. Direct effects:

- Having a Certified Food Protection Manger will ensure that restaurant staff is more actively engaged in protecting the public in a clean and sanitary manner, which will in turn reduce the chances of foodborne illness.

e. Indirect effects:

- If a restaurant receives a grade of B or lower, this could indirectly cause the restaurant to lose business as the public will see the posted grade. However, based on the previous year's numbers, only 4% of food establishments received a grade of B or lower. This number will be even lower with the changed scoring method of 0 points for Low Risk violations.

3. *The methods considered by the Carson City Board of Supervisors 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 Carson City for enforcement of the proposed ordinance or action:*

**Costs may be associated with the enforcement of the proposed action; however, those costs cannot be determined at this time. However, it is anticipated that any enforcement costs will be minimal.**

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:

- Any money collected as a result of a reinspection fee will be minimal and will, at a maximum, only cover the actual cost of the reinspection.

6. *The proposed ordinance or action [ x ] DOES [ ] DOES NOT include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.*

- NAC 446 and NAC 446 are State standards which regulate some of the same activity that is presented in the proposed ordinance.
- It is standard practice of jurisdictions in Nevada to adopt regulations, either through rules or ordinances, or both, that regulate at least some of the same activity that is regulated in NAC 446 and NRS 446.

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

**Comments received were positive and understanding.**


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

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

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

**Pursuant to NRS 237.090(3), this Business Impact Statement was completed on 2/11/2018, and made available for public inspection by Carson City on 2/12/2018, 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, Nick Marano, the Carson City Manager, hereby certify that to the best of my knowledge and belief, the information contained herein was properly prepared and accurate.**



Signature

2/12/2018

Date

Nick Marano

Printed Name