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STATE OF NEVADA DEPARTMENT OF INDIGENT DEFENSE SERVICES

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SMALL BUSINESS IMPACT STATEMENT REGARDING LCB FILE NO. R042-20

1. A description of the manner in which comment was solicited from affected small business, a summary of their responses, and explanation of the manner in which other interested persons may obtain a copy of the summary:

The Department of Indigent Defense Services requested input from private attorneys via an e-mailed survey link. The Department sent out 67 emails to the attorneys that are on the Department's List of Contract and Appointed Counsel.

The Department also sent out similar surveys in March 2020 and November 2021. In March, no responses were received. In November 2021, three surveys were completed. In August 2021, five surveys were completed.

The survey asked for input on adverse/beneficial economic effects on small businesses, and indirect adverse/beneficial effects – with space to elaborate on responses.

2. The manner in which the analysis was conducted:

The Department reviewed the completed surveys.

3. The estimated economic effect of the proposed regulation on the small business which it is to regulate, including, without limitation both adverse and beneficial effects, and both direct and indirect effects.

There are no reasonably foreseen potential economic impacts to small business. Multiple surveys expressed concern that uniform timekeeping, as required by NRS 180.320(2)(d), would be too time consuming, a waste of time, and would require the employment of an extra staff. However, the timekeeping is required pursuant to statute.

One completed survey believed regulations would prevent small business from providing indigent legal services in the rural counties because there are not enough

law firms to comply with the onerous regulations but believed the regulations would be workable in the urban counties.

4. A description of the methods that the agency considered to reduce the impact of the proposed regulations on small businesses and a statement regarding whether the agency actually used any of those methods.

Concerns on the possible impacts to small business were considered during the drafting of the proposed amendment. The Department proposes a regulation which requires the use of Department provided, time keeping software which is provided at no cost to the county or attorney. The use of software for time keeping and automatic submission of reports would save the time of an attorney.

The Board of Indigent Defense Services discussed a requirement to use a time keeping software at a meeting on June 29, 2020. The Board could not agree on whether to require the use of software and the Chair called for public comment on this issue for the next meeting. This issue was discussed on September 24, 2020. No written comment on the issue had been received.

A workshop to solicit further comment on the proposed regulations was held on December 2, 2020, and a public hearing to adopt the temporary regulations was held on January 28, 2021. Ultimately the Board contracted with LegalServer and has been providing the system at no cost since June 2021.

Further, a workshop for the proposed regulations is set for September 1, 2021. Any further public comment on the issue may be received at that time.

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

The estimated cost to the agency is:

FY22 = \$5,634,976

 $FY_{23} = $5,782,072$

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.

The proposed amendments do not involve an increase to existing fees or create any new fees.

7. If the Proposed Regulation Included 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. NRS 180.320 set forth regulations which must be adopted by the Board of Indigent Defense Services. These regulations meet those legislative mandates.

- 8. The Reasons for the Conclusions of the Agency Regarding the Impact of a Regulation on Small Businesses.
 - a. Does the Proposed Regulation Impose a Direct and Significant Economic Burden Upon Small Businesses?

The proposed regulation does not impose a direct or significant economic burden upon small businesses. Attorneys that provide indigent defense services in the rural counties are paid for their time spent working on cases. The Department believes that use of a software program for case management and time keeping will save attorneys' time. However, if there is an increase in time spent on a case due to time keeping, that can be billed as a case expense. Further, any time that is spent entering data into the case management system will be captured and used to determine an appropriate workload.

b. Will the Proposed Regulation Directly Restrict the Formation, Operation or Expansion of a Small Business?

The proposed regulations will not directly restrict the formation, operation, or expansion of a small business.

Signed and effective this _____ day of August 2021.

Marcie Ryba, Execut Ive Director
Nevada State Department of Indigent Defense Services