

Business Impact Statement

This business impact statement was prepared pursuant to **NRS 237.090** to address the proposed impact of **Bill No. 148, Ordinance No. 26-336**, which amends a previously adopted cannabis establishment business license fee, reducing the fee from 3% of gross revenue to **zero percent (0%)**.

NRS 244 authorizes the Storey County Board of County Commissioners to collect a license fee for all cannabis establishments, up to 3% of gross revenue. This ordinance proposes to reduce that fee to zero. A separate business license application fee and general business license fee will still be collected.

This business impact statement will be considered by the board during its meeting on February 3, 2026, along with the first reading of the amended **Ordinance 26-336**, which updates the Storey County Code regarding the licensing of cannabis establishments as permitted by Nevada Revised Statutes.

1. Description of how comment was solicited from affected businesses, a summary of responses, and how others may obtain the summary:

The County Manager's Office mailed, on February 4, 2026, a copy of this business impact statement, including Exhibit A: Process to Object to Rule Causing a Business Impact and a sample petition, to relevant stakeholders including cannabis trade organizations, Storey County lobbyists, and the Tahoe Reno-Industrial Center. Copies are also available at the Storey County Clerk's Office and on the Storey County website.

There is currently one (1) operating cannabis establishments in Storey County.

The Board of County Commissioners will consider this revised ordinance and business impact statement at a second reading and public hearing scheduled for March 17, 2026. The public may submit comments at the hearing or in writing. Potential adoption of the ordinance is also scheduled for March 17, 2026.

2. Estimated economic effect of the proposed rule on businesses:

a. Adverse effects:

None identified. Reducing the fee from 3% to 0% will eliminate this direct cost to any future cannabis establishments.

b. Beneficial effects:

Cannabis businesses will not be subject to a gross revenue-based license fee, potentially improving profitability and enhancing the attractiveness of Storey County as a location for cannabis-related enterprises.

c. Direct effects:

Reduced operational costs for any future cannabis licensees in Storey County.

d. Indirect effects:

May incentivize cannabis businesses to consider Storey County due to a more favorable fee structure.

3. Description of methods considered to reduce the impact on businesses and whether they were used:

This ordinance itself is a business-friendly amendment designed specifically to eliminate the prior 3% gross revenue fee, thereby significantly reducing financial impact on future businesses. No further mitigation strategies were needed.

4. Estimated cost to the government for enforcement of the proposed rule:

The elimination of the fee may slightly reduce revenue collection and administrative tracking but will also eliminate the need for quarterly revenue reports and calculations. The net administrative burden is expected to decrease.

5. Does the proposed rule provide for a new fee or increase an existing fee?

No. This amendment eliminates an existing fee. No additional revenue is expected from this change.

6. Does the proposed rule duplicate or exceed federal, state, or local standards?

No. The revised ordinance remains consistent with NRS 244 and does not duplicate or exceed federal or state requirements.

7. Reasons for conclusions regarding the impact on businesses:

This rule change will eliminate a previously authorized licensing fee, thereby removing a direct and potentially significant economic burden on future cannabis establishments. Reducing the fee to zero may encourage the formation and operation of such businesses within the county.

Based on the information considered, it is recommended that the governing body or its designee determine that the proposed rule is not likely to:

- (a) Impose a direct and significant economic burden upon a business; or
- (b) Directly restrict the formation, operation, or expansion of a business.

I, Austin Osborne, Storey County Manager, certify that to the best of my knowledge or belief that the information contained in this statement was properly prepared and is accurate.



Austin Osborne, County Manager



Date

EXHIBIT A

PROCESS TO OBJECT TO RULE CAUSING A BUSINESS IMPACT

1. If a business believes it is aggrieved by a Rule (as defined in NRS 237.060) adopted by the Board of County Commissioners of Storey County, the business may object by filing a petition in writing with the Storey County Clerk/Treasurer at 26 South B Street in Virginia City, Nevada or by mailing to P.O. Drawer D, Virginia City, Nevada 89440.
2. The Board of County Commissioners will accept such petitions for a period of thirty (30) days following approval of the subject Rule for one of the following reasons:
 - a. The governing body failed to prepare a business impact statement as required pursuant to Chapter 237 of NRS; or
 - b. The business impact statement prepared by the governing body did not consider or significantly underestimated the economic effect of the ordinance or rule on the business.
3. Upon receipt of the petition, the Clerk/Treasurer will forward a copy to the Storey County District Attorney, the department/agency/office that generated the Rule, and the Storey County Manager.
4. Staff will consider the merits of the petition and forward a recommendation to the Board of County Commissioners.
5. The Board of County Commissioners will determine if the petition has merit and direct staff accordingly.
6. A sample petition is attached.

SAMPLE PETITION OBJECTING TO ADOPTION OF RULE

NRS 237.100 provides that a business that is aggrieved by an ordinance, regulation, resolution or other type of instrument through which a governing body exercises legislative powers, except pursuant to Chapter 271, 278, 278A and 278B of NRS (herein a "Rule") adopted by the governing body may object to all or a part of the Rule by filing a petition. This petition form is provided to assist those who wish to object. The petition must be filed with the Storey County Clerk/Treasurer 26 South B Street in Virginia City, Nevada, or by mailing to P.O. Drawer D, Virginia City, NV 89440, within thirty (30) days after the date on which the Rule was adopted.

Petitioner's Name: _____
(Include name of the business or proposed business and whether it is a corporation, partnership, sole proprietorship, fictitious name):

Petitioner's type of business: _____

Petitioner's business location: _____

Street: _____

City: _____ County: _____

State: _____

Petitioner's mailing address: (if different from above:) _____

Petitioner's telephone number: _____

Petitioner is objecting to the following: _____

(Identify the Rule to which the petitioner is objecting and state whether it is an ordinance, resolution, regulation, or other instrument. Please give number if known:)

The basis of the petitioner's objection is as follows:

The governing body failed to prepare a business impact statement; or

The business impact statement did not consider or significantly underestimated the economic effect of the adopted Rule.

The nature of the impact of the above Rule on the petitioner's business is as follows: (Attach additional sheets if necessary):

By signing below, the signer of this petition certifies he/she is a duly authorized representative of the business identified above and has been authorized by that business to file this petition on behalf of the business.

Business Name: _____

By: _____

Title of Signer: _____