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DICKINSON WRIGHT GOVERNMENT AFFAIRS UPDATE

NEVADA STATE AND LOCAL GOVERNMENTS MAKE LICENSING AND PERMIT ACCOMMODATIONS TO HELP BUSINESSES AMID THE COVID-19 CRISIS

by Caleb L. Green and Jennifer J. Gaynor

Like many other states in response to the widespread transmission of COVID-19, Nevada has banned business operations for non-essential businesses and enacted limitations on operations for those businesses considered essential. As a result, Nevada business owners have been forced to seek alternative ways to continue lawful operations as they navigate through the coronavirus pandemic. This has prompted state and local governments to make changes and accommodations concerning the administration of business licenses and permits.

On March 31, 2020, Governor Steve Sisolak signed Emergency Directive 009, which made several changes and adjustments to the administration of business licensing and permits in Nevada. Namely, this Directive extends the deadline for state permits and business licenses that expired or would otherwise expire since the March 12, 2020, Declaration of Emergency. Expiring permits are extended ninety (90) days from their current expiration or after the termination of the Declaration of Emergency, whichever is longer.

Under the authority of Directive 009, local governments have also made administrative adjustments to licensing requirements in an effort to accommodate Nevada businesses. These include extending deadlines and providing other forms of temporary relief to business licenses and permit holders.

TEMPORARY BUSINESS LICENSES FOR PACKAGED LIQUOR DELIVERY AND CURBSIDE SERVICES

Nevada's restaurants and package liquor stores remain closed or are operating on a limited basis as non-essential businesses. In an effort to allow these businesses to boost sales during the pandemic, however, several Nevada business-licensing authorities throughout the Clark County and Washoe County areas are temporarily allowing package liquor stores and restaurants to offer delivery or curbside service of package liquor and alcohol products to customers during the Governor's Declaration of Emergency.

Liquor stores and related businesses can apply for a temporary delivery license at the county and city levels and, once the license is secured, will be allowed to deliver beer, wine, spirits-based products in addition to, in some cases, hard alcohol (rum, vodka, gin, whiskey, among others). Likewise, restaurants can apply for temporary licenses to serve alcohol products through curbside services. The following is a non-exhaustive list of the Clark County and Washoe County licensing authorities that provide one or both of these temporary licenses:

- Clark County
- Washoe County
- City of Las Vegas
- City of North Las Vegas
- City of Henderson
- City of Mesquite (Curbside Service Only)
- City of Reno
- City of Sparks

Businesses that secure these licenses must adhere to jurisdiction-specific restrictions and guidelines, however, generally, when delivering these goods, the requirements include that:

- Alcohol products being delivered must remain in their original, unopened containers and comply with open container laws;
- All deliveries must be made to locations away from the licensed premises;
- Deliveries cannot involve a third-party vendor such as Uber Eats, Door Dash, and Postmates. Instead, deliveries must be made by the licensee's employees to the individual placing the order;
- The licensee is responsible for ensuring that their respective employees are verifying the age of the purchaser and is ultimately accountable for the employee's actions;
- There are limitations on refills of used containers (e.g. restrictions on growlers);
- In some instances, depending on the jurisdiction and type of business, the customer must also order food in conjunction with the alcoholic beverages;
- Furthermore, delivery and business activities must be in full compliance with the Governor's Emergency Directives regarding public health, including social distancing and sanitation.

At this time, these licenses are temporary and may be extended upon request throughout the duration of the governor's mandated closures.

CITY AND COUNTY BUSINESS LICENSE ACCOMMODATIONS

City of Las Vegas

To ease the burden on businesses that have been forced to close due to COVID-19, the City of Las Vegas is providing:

- A 60-day grace period for city business license renewals with due dates of March 1, 2020, April 1, 2020, or May 1, 2020;
- An option for liquor license holders to pay a reduced fee during the temporary closure; and
- An option for gaming license holders to pay a reduced fee during the temporary closure.

City of North Las Vegas

The City of North Las Vegas has also made it a priority to assist businesses who have had to change their operations during this time. Some of the measures taken to offer relief and support businesses impacted by COVID-19 include:

- A 60-day grace period for flat-fee business license renewals due by March 31; and
- A 60-day grace period for multi-jurisdictional contractor business license renewals due by April 30.

City of Reno

The City of Reno has also provided licensing accommodations to businesses. For annual or quarterly business license fees that are due between March 27, 2020, and April 30, 2020, the City of Reno has automatically extended the deadline for an additional 30 days from the original due date. In addition, businesses that had to cease all or part of its business operations according to the State of Nevada business closure directives and whose business licensing fees are due

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outside of the March 27 to April 30 period can apply to extend deadlines to pay license fees.

CONCLUSION

Properly navigating the business licensing process can be onerous. In the face of the ongoing global pandemic, this challenge is compounded as business owners must navigate the changing legal landscape while maintaining lawful business operations. Accordingly, Nevada business owners should consult with legal counsel to help them navigate through the licensing process and to identify applicable accommodations.

Dickinson Wright's attorneys have considerable experience assisting companies in complying with the various requirements of state, federal, and local laws. The firm remains committed to helping our clients navigate this unprecedented time and remains fully available to provide any assistance that may be required. Business owners who have been negatively affected and have experienced barriers in their ability to navigate the business licensing process are encouraged to consult with one of Dickinson Wright's attorneys experience in Government Affairs.

Our Government Affairs team is dedicated to keeping you informed of pertinent information as we continue facing the novel coronavirus. We will be providing periodical updates on the matter over the next few weeks.

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