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SECOND REPRINT

A.B. 385

ASSEMBLY BILL NO. 385—ASSEMBLYWOMAN GIUNCHIGLIANI

MARCH 24, 2005

Referred to Committee on Government Affairs

SUMMARY—Revises provisions governing building and zoning and creates incentives and standards for green buildings. (BDR 22-730)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact.
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to building standards; making various changes to encourage energy efficiency in construction; providing for a partial abatement of certain taxes for certain energy efficient buildings and green buildings; requiring the University and Community College System of Nevada to provide instruction in certain areas related to green building; requiring the State to reduce its grid-based purchases; providing for the licensure of persons engaged in photovoltaic system projects; making various changes concerning portfolio standards; making an appropriation; providing a penalty; and providing other matters properly relating thereto.

- 1 WHEREAS, The construction and operation of the buildings in
- 2 which we live, work and play require enormous amounts of energy,
- 3 water and materials and create large amounts of waste, and the
- 4 location of and how these buildings are built not only affect the
- 5 ecosystem around us, but the buildings themselves create new
- 6 indoor environments that present new environmental problems and
- 7 challenges; and
- 8 WHEREAS, With the threat of rising energy costs, increases in
- 9 population and numerous environmental concerns, the State of
- 10 Nevada is already developing and encouraging the use of alternative
- 11 energy from geothermal, wind and solar resources, and the State



* A B 3 8 5 R 2 *

1 should also consider the possibility of encouraging “greener”
2 building requirements; and

3 WHEREAS, Green building is a field that uses environmentally
4 sustainable materials to construct buildings that conserve resources
5 and provide a healthy living and working space; and

6 WHEREAS, The many elements of green building include energy
7 efficiency and the use of renewable energy, water efficiency, the use
8 of building materials that have a minimal effect on the environment,
9 reduction of waste, and the design and operation of buildings that
10 are healthy for the occupants of such buildings; and

11 WHEREAS, The Nevada Legislature encourages a sound financial
12 economy, the reduction of usage and demand of fossil fuels, and a
13 reduction of harmful emissions; and

14 WHEREAS, The Nevada Legislature encourages the construction,
15 rehabilitation and maintenance of buildings in this State in such a
16 manner as to promote better environmental standards, improve
17 energy efficiency and increase generation of energy through
18 renewable and clean-energy technologies, and to improve the health
19 and productivity of building occupants by meeting advanced criteria
20 for indoor environmental quality; now, therefore,

21
22 THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN
23 SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:
24

25 **Section 1.** (Deleted by amendment.)

26 **Sec. 2.** Chapter 278 of NRS is hereby amended by adding
27 thereto a new section to read as follows:

28 *If a governing body establishes a committee or task force on*
29 *sustainable energy, the committee or task force shall consider:*

- 30 *1. Standards for the efficient use of water;*
- 31 *2. Standards for the efficient use of energy, including,*
32 *without limitation, the use of sources of renewable energy;*
- 33 *3. Performance guidelines for new, remodeled and renovated*
34 *buildings; and*
- 35 *4. Performance guidelines for retrofit projects,*
36 *including, without limitation, energy consumption, use of*
37 *potable water, use of water for landscaping purposes and solid*
38 *waste disposal.*

39 **Sec. 3.** Chapter 338 of NRS is hereby amended by adding
40 thereto a new section to read as follows:

- 41 *1. Each occupied public building constructed, sponsored or*
42 *financed by this State must be certified at the silver level or higher*
43 *in accordance with the Leadership in Energy and Environmental*
44 *Design Green Building Rating System, or constructed to an*



1 *equivalent standard, as adopted by the Director of the Office of*
2 *Energy pursuant to section 11 of this act.*

3 2. *Each occupied public building constructed, sponsored or*
4 *financed by a local government may be certified at or meet the*
5 *equivalent of the silver level or higher in accordance with the*
6 *Leadership in Energy and Environmental Design Green Building*
7 *Rating System, or constructed to an equivalent standard, as*
8 *adopted by the Director of the Office of Energy pursuant to*
9 *section 11 of this act.*

10 3. *As used in this section, "occupied public building" means*
11 *a public building used primarily as an office space or work area*
12 *for persons employed by this State or a local government. The*
13 *term does not include a public building used primarily as a storage*
14 *facility or warehouse or for similar purposes.*

15 **Sec. 4.** (Deleted by amendment.)

16 **Sec. 5.** NRS 338.190 is hereby amended to read as follows:

17 338.190 1. Before it begins to construct or renovate any
18 *occupied* public building which is larger than 20,000 square feet,
19 each agency of the State or a political subdivision, district, authority,
20 board or public corporation of the State shall obtain a detailed
21 analysis of the cost of operating and maintaining the building for its
22 expected useful life.

23 2. The analysis must ~~[identify the]~~ :

24 (a) *Estimate the cost to construct, operate and maintain the*
25 *public building; and*

26 (b) *Identify measures , including, without limitation, for ~~[-~~*
27 *~~(a)] the:~~*

28 (1) *Conservation of water;*

29 (2) *Conservation of energy ~~[-~~ and*

30 *~~(b)] and energy efficiency measures that will generate cost~~*
31 *savings within 10 years that are equal to or greater than the cost*
32 *of implementation; and*

33 (3) *Use of types of energy which are alternatives to fossil*
34 *fuels, such as active and passive applications of solar energy, wind*
35 *and geothermal energy,*

36 *↪ which can be included in the building in its construction or*
37 *renovation.*

38 3. *The agency of government which proposes to build or*
39 *renovate a **public** building must consider the results of the analysis*
40 *required by this section in deciding upon the type of construction*
41 *and the components and systems which will be included in the*
42 *building. **The agency shall consider the use of types of energy***
43 ***which are alternatives to fossil fuels and any other energy***
44 ***conservation measures identified in the analysis into the design of***



1 *the public building if it is determined to be in the best interest of*
2 *the State.*

3 4. *The State may select, through the bidding process, a*
4 *contractor to conduct the analysis required pursuant to this*
5 *section. If a contractor is selected to conduct the analysis, any*
6 *contract for the purchase, lease or rental of cost-saving measures*
7 *must provide that all payments, other than any obligations that*
8 *become due if the contract is terminated before the contract*
9 *expires, be made from the cost savings.*

10 5. This section applies to any public building or renovation of a
11 public building, the designing of which begins on or after July 1,
12 1981.

13 **Sec. 6.** Chapter 361 of NRS is hereby amended by adding
14 thereto a new section to read as follows:

15 1. *The Commission on Economic Development shall grant a*
16 *partial abatement from the tax imposed on real property by this*
17 *chapter for property which has a building or other structure that is*
18 *certified at or meets the equivalent of the silver level or higher by a*
19 *person authorized to grant such certification in accordance with*
20 *the Leadership in Energy and Environmental Design Green*
21 *Building Rating System or its equivalent, as adopted by the*
22 *Director of the Office of Energy pursuant to section 11 of this act.*

23 2. *The partial abatement must be for a duration of not more*
24 *than 10 years and must not exceed 50 percent of the taxes on real*
25 *property payable each year pursuant to this chapter.*

26 3. *The Commission on Economic Development shall establish*
27 *by regulation the qualifications and methods to determine*
28 *eligibility for the abatement.*

29 4. *The Commission on Economic Development shall*
30 *immediately forward a certificate of eligibility for the abatement*
31 *to:*

- 32 (a) *The Department of Taxation;*
33 (b) *The Nevada Tax Commission;*
34 (c) *The county treasurer; and*
35 (d) *The county assessor.*

36 **Sec. 7.** NRS 374.307 is hereby amended to read as follows:

37 374.307 1. There are exempted from the taxes imposed by
38 this chapter the gross receipts from the sale of, and the storage, use
39 or other consumption in this State of, any:

40 (a) Product or system designed or adapted to use renewable
41 energy to generate electricity and all of its integral components.

42 (b) Solar thermal energy system that reduces the consumption of
43 electricity or any fossil fuel, and all of its integral components.

44 (c) Solar lighting system that reduces the consumption of
45 electricity or any fossil fuel, and all of its integral components.



(d) *Products or materials used in the construction of a building if the building is certified or will, when complete, meet the requirements to be certified at or meet the equivalent of the silver level or higher in accordance with the Leadership in Energy and Environmental Design Green Building Rating System.*

2. As used in this section:

(a) "Biomass" means any organic matter that is available on a renewable basis, including, without limitation:

- (1) Agricultural crops and agricultural wastes and residues;
- (2) Wood and wood wastes and residues;
- (3) Animal wastes;
- (4) Municipal wastes; and
- (5) Aquatic plants.

(b) "Fuel cell" means a device or contrivance that, through the chemical process of combining ions of hydrogen and oxygen, produces electricity and water.

(c) *"Leadership in Energy and Environmental Design Green Building Rating System" means the system of rating buildings adopted by the Director of the Office of Energy pursuant to section 11 of this act.*

(d) "Renewable energy" means a source of energy that occurs naturally or is regenerated naturally, including, without limitation:

- (1) Biomass;
- (2) Fuel cells;
- (3) Geothermal energy;
- (4) Solar energy;
- (5) Waterpower; and
- (6) Wind.

➔ The term does not include coal, natural gas, oil, propane or any other fossil fuel, or nuclear energy.

~~(d)~~ (e) "Solar lighting system" means a system of related components that:

- (1) Uses solar energy to provide indoor lighting; and
- (2) Is designed to work as an integral package such that the system is not complete without one of its related components.

~~(e)~~ (f) "Solar thermal energy system" means a system of related components that:

- (1) Uses solar radiation to heat water; and
- (2) Is designed to work as an integral package such that the system is not complete without one of its related components.

~~(f)~~ (g) "System designed or adapted to use renewable energy to generate electricity" means a system of related components:

- (1) From which at least 75 percent of the electricity generated is produced from one or more sources of renewable energy; and



(2) That is designed to work as an integral package such that the system is not complete without one of its related components.

Sec. 8. Chapter 396 of NRS is hereby amended by adding thereto a new section to read as follows:

Instruction within the System must be given in the essentials of green building construction and design to assist students in preparing for the Leadership in Energy and Environmental Design Professional Accreditation Exam or its equivalent.

Sec. 8.1. Chapter 618 of NRS is hereby amended by adding thereto the provisions set forth as sections 8.2 to 8.12, inclusive, of this act.

Sec. 8.2. *As used in sections 8.2 to 8.12, inclusive, of this act, unless the context otherwise requires:*

1. "Apprentice photovoltaic installer" means a person actually engaged in a course of training and apprenticeship which:

(a) Incorporates photovoltaic installation; and

(b) Is registered and approved by the State Apprenticeship Council pursuant to chapter 610 of NRS.

2. "Photovoltaic installer" means a person actually engaged in work directly related to the placement and installation of a photovoltaic system project in a capacity other than as an inspector, management planner, consultant, project designer, contractor or supervisor engaged in a photovoltaic system project.

3. "Photovoltaic system" means a facility or energy system for the generation of electricity that uses photovoltaic cells and solar energy to generate electricity.

4. "Photovoltaic system project" means a project related to:

(a) The installation of a photovoltaic system; or

(b) The maintenance of a photovoltaic system.

Sec. 8.3. *The Division shall issue a license to each qualified applicant for licensure as an apprentice photovoltaic installer or a photovoltaic installer.*

Sec. 8.4. *1. Except as otherwise provided in subsection 2, a person shall not engage in a photovoltaic system project unless he holds a valid license issued by the Division.*

2. A person is not required to obtain a license from the Division to install or maintain a photovoltaic system on property that the person owns and occupies as a residence.

3. A person who:

(a) Engages in a photovoltaic system project without a license; or

(b) Employs a person to engage in a photovoltaic system project as a photovoltaic installer who does not hold a license issued by the Division,



1 ➡ is guilty of a misdemeanor and may be fined a reasonable
2 amount as determined by the Division by regulation.

3 **Sec. 8.5.** A person applying for a license as an apprentice
4 photovoltaic installer or a photovoltaic installer must:

5 1. Submit an application, on a form prescribed and furnished
6 by the Division, and all required fees;

7 2. Successfully complete a course of training and
8 apprenticeship which incorporates photovoltaic installation that is
9 registered and approved by the State Apprenticeship Council
10 pursuant to chapter 610 of NRS;

11 3. Pass an examination approved or administered by the
12 Division for a photovoltaic installer;

13 4. If he is a contractor, provide proof to the Division that he
14 has been issued a license of the appropriate classification by the
15 State Contractors' Board pursuant to chapter 624 of NRS; and

16 5. Meet any additional requirements established by the
17 Division.

18 **Sec. 8.6.** 1. To renew a license as an apprentice
19 photovoltaic installer or photovoltaic installer, a person must, on
20 or before January 1 of each year:

21 (a) Apply to the Division for renewal;

22 (b) Pay the annual fee for renewal set by the Division; and

23 (c) Submit evidence satisfactory to the Division of his
24 completion of the requirements for continuing education or
25 training established by the Division, if any.

26 2. The Division may adopt regulations requiring continuing
27 education or training of a person for issuance or renewal of a
28 license as an apprentice photovoltaic installer or a photovoltaic
29 installer.

30 **Sec. 8.7.** 1. In addition to the requirements of sections 8.5
31 and 8.6 of this act, an applicant for the issuance or renewal of a
32 license as an apprentice photovoltaic installer or a photovoltaic
33 installer shall submit to the Division:

34 (a) The statement prescribed by the Welfare Division of the
35 Department of Human Resources pursuant to NRS 425.520. The
36 statement must be completed and signed by the applicant.

37 (b) The social security number of the applicant.

38 2. The Division shall include the statement required pursuant
39 to subsection 1 in:

40 (a) The application or any other forms that must be submitted
41 for the issuance or renewal of a license; or

42 (b) A separate form prescribed by the Division.

43 3. A license as an apprentice photovoltaic installer or a
44 photovoltaic installer may not be issued or renewed by the Division
45 if the applicant:



1 (a) Fails to submit the statement required pursuant to
2 subsection 1; or

3 (b) Indicates on the statement submitted pursuant to
4 subsection 1 that he is subject to a court order for the support of a
5 child and is not in compliance with the order or a plan approved
6 by the district attorney or other public agency enforcing the order
7 for the repayment of the amount owed pursuant to the order.

8 4. If an applicant indicates on the statement submitted
9 pursuant to subsection 1 that he is subject to a court order for the
10 support of a child and is not in compliance with the order or a
11 plan approved by the district attorney or other public agency
12 enforcing the order for the repayment of the amount owed
13 pursuant to the order, the Division shall advise the applicant to
14 contact the district attorney or other public agency enforcing the
15 order to determine the actions that the applicant may take to
16 satisfy the arrearage.

17 **Sec. 8.8. 1.** If the Division receives a copy of a court order
18 issued pursuant to NRS 425.540 that provides for the suspension
19 of all professional, occupational and recreational licenses,
20 certificates and permits issued to a person who is the holder of a
21 license as an apprentice photovoltaic installer or a photovoltaic
22 installer, the Division shall deem the license issued to that person
23 to be suspended at the end of the 30th day after the date on which
24 the court order was issued, unless the Division receives a letter
25 issued to the holder of the certificate by the district attorney or
26 other public agency pursuant to NRS 425.550 stating that the
27 holder of the license has complied with the subpoena or warrant,
28 or has satisfied the arrearage pursuant to NRS 425.560.

29 2. The Division shall reinstate a license that has been
30 suspended by a district court pursuant to NRS 425.540 if the
31 Division receives a letter issued by the district attorney or other
32 public agency pursuant to NRS 425.550 to the person whose
33 license was suspended stating that the person whose license was
34 suspended has complied with the subpoena or warrant or has
35 satisfied the arrearage pursuant to NRS 425.560.

36 **Sec. 8.9.** (Deleted by amendment.)

37 **Sec. 8.10. 1.** If the Division finds that a person, other than
38 a photovoltaic installer, has violated any of the provisions of
39 sections 8.2 to 8.12, inclusive, of this act, or the standards or
40 regulations adopted pursuant thereto, it may:

41 (a) Upon the first violation, impose upon the person an
42 administrative fine of not more than \$1,500.

43 (b) Upon the second violation or a subsequent violation:

44 (1) Impose upon the person an administrative fine of not
45 more than \$2,500; and



1 (2) *If he is licensed pursuant to sections 8.2 to 8.12,*
2 *inclusive, of this act, suspend or revoke his license and require*
3 *him to fulfill certain training or educational requirement to have*
4 *his license reinstated.*

5 2. *Any penalty imposed pursuant to subsection 1 does not*
6 *relieve the person from criminal prosecution for engaging in a*
7 *photovoltaic system project without a license.*

8 3. *If the license of a contractor for photovoltaic system*
9 *projects is suspended or revoked pursuant to subsection 1 and the*
10 *owner of a building or structure upon which the contractor is*
11 *engaged in a project employs another licensed contractor to*
12 *complete the project, the original contractor may not bring an*
13 *action against the owner of the building or structure for breach of*
14 *contract or damages based on the employment of another*
15 *contractor.*

16 **Sec. 8.11.** 1. *If the Division intends to suspend or revoke a*
17 *person's license, it shall first notify him by certified mail. The*
18 *notice must contain a statement of the Division's legal authority,*
19 *jurisdiction and reasons for the proposed action.*

20 2. *A person is entitled to a hearing to contest the proposed*
21 *suspension or revocation of his license. A request for such a*
22 *hearing must be made pursuant to regulations adopted by the*
23 *Division.*

24 3. *Upon receiving a request for a hearing to contest a*
25 *proposed suspension or revocation, the Division shall hold a*
26 *hearing within 10 days after the date of the receipt of the request.*

27 **Sec. 8.12.** *The Division may maintain in a court of*
28 *competent jurisdiction a suit for an injunction against any person*
29 *engaged in a photovoltaic system project in violation of the*
30 *provisions of sections 8.2 to 8.12, inclusive, of this act, or the*
31 *standards or regulations adopted pursuant thereto. An injunction:*

32 1. *May be issued without proof of actual damage sustained by*
33 *any person.*

34 2. *Does not relieve the person from criminal liability for*
35 *engaging in a photovoltaic system project without a license.*

36 **Sec. 9.** Chapter 701 of NRS is hereby amended by adding
37 thereto the provisions set forth as sections 10, 11 and 12 of this act.

38 **Sec. 10.** (Deleted by amendment.)

39 **Sec. 11.** 1. *The Director, in consultation with the State*
40 *Public Works Board and any other interested agency, shall:*

41 (a) *In cooperation with representatives of the building and*
42 *development industry, adopt guidelines establishing Green*
43 *Building Standards for all new building projects of occupied*
44 *public buildings.*



(b) Adopt the Leadership in Energy and Environmental Design Green Building Rating System, or its equivalent, pursuant to subsection 4.

2. Guidelines adopted pursuant to paragraph (a) of subsection 1 must include, without limitation, suggested:

(a) Requirements for the use of resource-efficient materials for the building and maintenance of the structure;

(b) Standards for indoor environmental quality;

(c) Standards for the efficient use of water, including the efficient use of water for landscaping purposes;

(d) Standards for the efficient use of energy; and

(e) Requirements for the design and preparation of building lots.

3. If standards equivalent to the Leadership in Energy and Environmental Design Green Building Rating System are adopted, the standards adopted must provide reasonable exceptions based on the size, location and use of the building.

4. The Director shall establish a process for adopting the Leadership in Energy and Environmental Design Green Building Rating System, or its equivalent. The process must include, without limitation:

(a) The gathering and development of scientific data;

(b) Comment from representatives of the building industry;

(c) Consensus from representatives of the building industry;

(d) A method by which the Director, the State Public Works Board and other interested agencies may cast ballots on the proposed standards;

(e) A pilot program for the purpose of refining the standards; and

(f) A process by which an aggrieved person may file an appeal of the standards adopted.

Sec. 12. The Director shall prepare a state energy reduction plan which requires state agencies, departments and other entities in the Executive Branch to reduce grid-based energy purchases for state-owned buildings by 20 percent by 2015.

Sec. 13. NRS 701.220 is hereby amended to read as follows:

701.220 1. The Director shall adopt regulations for the conservation of energy in buildings, including manufactured homes . ~~[, which]~~ Such regulations must include the adoption of the most recent version of the International Energy Conservation Code, issued by the International Code Council, and any amendments to the Code that will not materially lessen the effective energy savings requirements of the Code and are deemed necessary to support effective compliance and enforcement of the Code, and must establish the minimum standards for:



- 1 (a) The construction of floors, walls, ceilings and roofs;
- 2 (b) The equipment and systems for heating, ventilation and air-
- 3 conditioning;
- 4 (c) Electrical equipment and systems;
- 5 (d) Insulation; and
- 6 (e) Other factors which affect the use of energy in a building.

7 ➡ *The regulations must provide for the adoption of the most*
8 *recent version of the International Energy Conservation Code,*
9 *and any amendments thereto, every third year.*

10 2. The Director may exempt a building from a standard if he
11 determines that application of the standard to the building would not
12 accomplish the purpose of the regulations.

13 3. The regulations must authorize allowances in design and
14 construction for sources of renewable energy used to supply all or a
15 part of the energy required in a building.

16 4. The standards adopted by the Director are the minimum
17 standards for the conservation of energy *and energy efficiency*
18 which apply only to areas in which the governing body of the local
19 government has not adopted standards for the conservation of
20 energy *and energy efficiency* in buildings. Such governing bodies
21 shall assist the Director in the enforcement of the regulations
22 adopted pursuant to this section.

23 5. The Director shall solicit comments regarding the adoption
24 of regulations pursuant to this section from:

- 25 (a) Persons in the business of constructing and selling homes;
- 26 (b) Contractors;
- 27 (c) Public utilities;
- 28 (d) Local building officials; and
- 29 (e) The general public,

30 ➡ before adopting any regulations. The Director must conduct at
31 least three hearings in different locations in the State, after giving 30
32 days' notice of each hearing, before he may adopt any regulations
33 pursuant to this section.

34 **Sec. 14.** NRS 701.350 is hereby amended to read as follows:

35 701.350 1. The Task Force for Renewable Energy and
36 Energy Conservation is hereby created. The Task Force consists of
37 ~~HQ~~ 11 members who are appointed as follows:

38 (a) Two members appointed by the Majority Leader of the
39 Senate, one of whom represents the interests of the renewable
40 energy industry in this State with respect to biomass and the other of
41 whom represents the interests of the mining industry in this State.

42 (b) Two members appointed by the Speaker of the Assembly,
43 one of whom represents the interests of the renewable energy
44 industry in this State with respect to geothermal energy and the
45 other of whom represents the interests of a nonprofit organization



1 dedicated to the protection of the environment or to the conservation
2 of energy or the efficient use of energy.

3 (c) One member appointed by the Minority Leader of the Senate
4 to represent the interests of the renewable energy industry in this
5 State with respect to solar energy.

6 (d) One member appointed by the Minority Leader of the
7 Assembly to represent the interests of the public utilities in this
8 State.

9 (e) Two members appointed by the Governor, one of whom
10 represents the interests of the renewable energy industry in this State
11 with respect to wind and the other of whom represents the interests
12 of the gaming industry in this State.

13 (f) One member appointed by the Consumer's Advocate to
14 represent the interests of the consumers in this State.

15 (g) One member appointed by the governing board of the State
16 of Nevada AFL-CIO or, if the State of Nevada AFL-CIO ceases to
17 exist, by its successor organization or, if there is no successor
18 organization, by the Governor.

19 *(h) One member appointed by the Governor to represent the*
20 *interests of energy conservation and the efficient use of energy in*
21 *this State.*

22 2. A member of the Task Force:

23 (a) Must be a citizen of the United States and a resident of this
24 State.

25 (b) Must have training, education, experience or knowledge
26 concerning:

27 (1) The development or use of renewable energy;

28 (2) Financing, planning or constructing renewable energy
29 generation projects;

30 (3) Measures which conserve or reduce the demand for
31 energy or which result in more efficient use of energy;

32 (4) Weatherization;

33 (5) Building and energy codes and standards;

34 (6) Grants or incentives concerning energy;

35 (7) Public education or community relations; or

36 (8) Any other matter within the duties of the Task Force.

37 (c) Must not be an officer or employee of the Legislative or
38 Judicial Department of State Government.

39 3. After the initial terms, the term of each member of the Task
40 Force is 3 years. A vacancy on the Task Force must be filled for the
41 remainder of the unexpired term in the same manner as the original
42 appointment. A member may be reappointed to the Task Force.

43 4. A member of the Task Force who is an officer or employee
44 of this State or a political subdivision of this State must be relieved
45 from his duties without loss of his regular compensation so that he



1 may prepare for and attend meetings of the Task Force and perform
2 any work that is necessary to carry out the duties of the Task Force
3 in the most timely manner practicable. A state agency or political
4 subdivision of this State shall not require an officer or employee
5 who is a member of the Task Force to:

6 (a) Make up the time he is absent from work to carry out his
7 duties as a member of the Task Force; or

8 (b) Take annual leave or compensatory time for the absence.

9 **Sec. 15.** Chapter 704 of NRS is hereby amended by adding
10 thereto the provisions set forth as sections 16 and 17 of this act.

11 **Sec. 16. 1.** *For the purpose of complying with a portfolio*
12 *standard pursuant to NRS 704.7821, a renewable energy system*
13 *shall be deemed to have generated 1.5 kilowatt-hours of renewable*
14 *energy credits for each 1 kilowatt-hour of actual electricity*
15 *generated from a renewable energy project if:*

16 (a) *The components used in the renewable energy system are*
17 *manufactured in an expanded production line at an existing*
18 *facility or at a new manufacturing facility; and*

19 (b) *The employees of the manufacturing facility that produced*
20 *the components of the renewable energy system are trained and*
21 *licensed to the highest standard for the manufacturing activity.*

22 2. *The total amount of electricity deemed to have been*
23 *generated or acquired pursuant to the provisions of this section*
24 *must not exceed 200 megawatt-hours.*

25 3. *The Commission shall adopt regulations to carry out the*
26 *provisions of this section.*

27 **Sec. 17. 1.** *For the purpose of complying with a portfolio*
28 *standard pursuant to NRS 704.7821, a solar energy system shall*
29 *be deemed to have generated 1.5 kilowatt-hours of renewable*
30 *energy credits for each 1 kilowatt-hour of actual electricity*
31 *generated from the solar energy system if:*

32 (a) *The employees of the manufacturing facility that produced*
33 *the components of the solar energy system are trained and*
34 *licensed to the highest standard for the manufacturing activity;*
35 *and*

36 (b) *The average price paid for electricity generated by the solar*
37 *energy system is substantially less than the average price paid for*
38 *energy delivered by a provider of electric service during peak*
39 *hours.*

40 2. *The Commission shall annually establish and publish the*
41 *market rate for solar energy in this State. The market rate must be*
42 *equal to the weighted average price set in solar energy contracts*
43 *executed with owners of solar energy systems in this State, except*
44 *that the Commission may use the weighted average price set in*
45 *solar energy contracts executed in another state if a sufficient*



1 *number of solar energy contracts have not been executed in this*
2 *State. The weighted average price must be determined using the*
3 *price and kilowatt capacity specified in the solar energy contracts*
4 *such that the weight given to the price of each contract is*
5 *proportionate to the kilowatt capacity of that contract.*

6 3. *A solar energy system installed pursuant to this section is*
7 *eligible for a monetary incentive of not more than 10 percent of*
8 *the market price of solar energy, as determined by the Commission*
9 *pursuant to subsection 2, if the owner of the solar energy system*
10 *executes a 10-year solar energy contract with a provider of electric*
11 *service. Such an incentive is in addition to the price of solar*
12 *energy specified in the contract executed with the provider.*

13 4. *The total amount of electricity deemed to have been*
14 *generated or acquired pursuant to this section must not exceed 30*
15 *megawatt-hours.*

16 5. *The Commission shall adopt regulations to carry out the*
17 *provisions of this section.*

18 **Secs. 18-18.4.** (Deleted by amendment.)

19 **Sec. 18.5.** NRS 704.7801 is hereby amended to read as
20 follows:

21 704.7801 As used in NRS 704.7801 to 704.7828, inclusive,
22 *and sections 16 and 17 of this act*, unless the context otherwise
23 requires, the words and terms defined in NRS 704.7805 to
24 704.7818, inclusive, have the meanings ascribed to them in those
25 sections.

26 **Sec. 18.6.** NRS 704.7815 is hereby amended to read as
27 follows:

28 704.7815 “Renewable energy system” means:

29 1. A facility or energy system that:

30 (a) Uses renewable energy or energy from a qualified energy
31 recovery process to generate electricity; and

32 (b) Transmits or distributes the electricity that it generates from
33 renewable energy or energy from a qualified energy recovery
34 process via:

35 (1) A power line which is dedicated to the transmission or
36 distribution of electricity generated from renewable energy or
37 energy from a qualified energy recovery process and which is
38 connected to a facility or system owned, operated or controlled by a
39 provider of electric service; or

40 (2) A power line which is shared with not more than one
41 facility or energy system generating electricity from nonrenewable
42 energy and which is connected to a facility or system owned,
43 operated or controlled by a provider of electric service.

44 2. A solar energy system that reduces the consumption of
45 electricity ~~[, natural gas or propane.]~~ *or any fossil fuel.*



3. A net metering system used by a customer-generator pursuant to NRS 704.766 to 704.775, inclusive.

Sec. 18.8. (Deleted by amendment.)

Sec. 19. Section 3 of chapter 330, Statutes of Nevada 2001, as amended by section 2 of Chapter 511, Statutes of Nevada 2003, at page 3496, is hereby amended to read as follows:

Sec. 3. 1. This section becomes effective on July 1, 2001.

2. Sections 1 and 2 of this act become effective on July 1, 2001, for the purpose of adopting regulations and on January 1, 2002, for all other purposes.

3. This act expires by limitation on ~~June 30,~~ *December 31*, 2005.

Sec. 19.2. Section 18 of Chapter 331, Statutes of Nevada 2003, at page 1869, is hereby amended to read as follows:

Sec. 18. 1. On or before May 1 of each year, the Public Utilities Commission of Nevada shall:

(a) Review each application nominated by the Committee to ensure that the application meets the requirements of subsection 3 of section 14 of this act; and

(b) From those nominees, select participants for the Demonstration Program for the following program year.

2. The Public Utilities Commission of Nevada may approve, from among the applications nominated by the Committee, solar energy systems totaling:

(a) For the program year beginning July 1, 2004:

(1) 100 kilowatts of capacity for schools;

(2) 200 kilowatts of capacity for other public buildings; and

(3) 200 kilowatts of capacity for private residences and small businesses.

(b) For the program year beginning July 1, 2005:

(1) An additional ~~450~~ 570 kilowatts of capacity for schools;

(2) An additional ~~450~~ 570 kilowatts of capacity for other public buildings; and

(3) An additional ~~600~~ 760 kilowatts of capacity for private residences and small businesses.

(c) For the program year beginning July 1, 2006:

(1) An additional ~~900~~ 570 kilowatts of capacity for schools;

(2) An additional ~~900~~ 570 kilowatts of capacity for other public buildings; and

(3) An additional ~~1200~~ 760 kilowatts of capacity for private residences and small businesses.



(d) *For the program year beginning July 1, 2007:*

(1) *An additional 570 kilowatts of capacity for schools;*

(2) *An additional 570 kilowatts of capacity for other public buildings; and*

(3) *An additional 760 kilowatts of capacity for private residences and small businesses.*

(e) *For the program year beginning July 1, 2008:*

(1) *An additional 570 kilowatts of capacity for schools;*

(2) *An additional 570 kilowatts of capacity for other public buildings; and*

(3) *An additional 760 kilowatts of capacity for private residences and small businesses.*

(f) *For the program year beginning July 1, 2009:*

(1) *An additional 570 kilowatts of capacity for schools;*

(2) *An additional 570 kilowatts of capacity for other public buildings; and*

(3) *An additional 760 kilowatts of capacity for private residences and small businesses.*

3. The Public Utilities Commission of Nevada shall notify each nominee of its selections no later than 10 days after the decision is made.

Sec. 19.4. Section 24 of Chapter 331, Statutes of Nevada 2003, at page 1871, is hereby amended to read as follows:

Sec. 24. The provisions of sections 4 to 21, inclusive, of this act expire by limitation on June 30, ~~2007~~ 2010.

Sec. 19.6. 1. The Director of the Office of Energy shall review model standards for commercial appliances, including, without limitation, the appliance efficiency standards adopted by the California Energy Commission.

2. The Director shall prepare a report summarizing the review and submit the report by July 1, 2006, to the Director of the Legislative Counsel Bureau for transmittal to the Legislative Commission and to the 74th Session of the Nevada Legislature. The report must be made available to the general public.

Sec. 19.8. There is hereby appropriated from the State General Fund to the Trust Fund for Renewable Energy and Energy Conservation, created pursuant to NRS 701.370, the sum of \$250,000.

Sec. 20. 1. This section and section 19 of this act become effective upon passage and approval.

2. Sections 1, 2, 4 to 8, inclusive, 9 to 18.8, inclusive, and 19.2 to 19.8, inclusive, of this act become effective:



1 (a) Upon passage and approval for the purpose of adopting
2 regulations and performing any other preparatory administrative
3 tasks that are necessary to carry out the provisions of this act; and

4 (b) On October 1, 2005, for all other purposes.

5 3. Sections 8.1 to 8.12, inclusive, of this act become effective:

6 (a) Upon passage and approval for the purpose of adopting
7 regulations and performing any other preparatory administrative
8 tasks that are necessary to carry out the provisions of this act; and

9 (b) On July 1, 2006, for all other purposes.

10 4. Section 3 of this act becomes effective on July 1, 2007, and
11 applies to buildings constructed, sponsored or financed on or after
12 that date.

13 5. Sections 8.7 and 8.8 of this act expire by limitation on the
14 date on which the provisions of 42 U.S.C. § 666 requiring each state
15 to establish procedures under which the state has authority to
16 withhold or suspend, or to restrict the use of professional,
17 occupational and recreational licenses of persons who:

18 (a) Have failed to comply with a subpoena or warrant relating to
19 a proceeding to determine the paternity of a child or to establish or
20 enforce an obligation for the support of a child; or

21 (b) Are in arrears in the payment for the support of one or more
22 children,

23 ➔ are repealed by the Congress of the United States.



