

Amendment No. 967

Senate Amendment to Assembly Bill No. 522 First Reprint (BDR 58-1139)

Proposed by: Senate Committee on Energy, Infrastructure and Transportation**Amendment Box:** Replaces Amendments Nos. 937, 944 and 946.**Amends:** Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date	
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____		Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____		Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) *green bold italic underlining* is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) green bold dashed underlining is newly added transitory language.

MSN



Date: 5/28/2009

A.B. No. 522—Makes various changes relating to energy. (BDR 58-1139)



ASSEMBLY BILL NO. 522—COMMITTEE ON COMMERCE AND LABOR

MARCH 23, 2009

Referred to Committee on Commerce and Labor

SUMMARY—Makes various changes relating to energy. (BDR 58-1139)

FISCAL NOTE: Effect on Local Government: Increases or Newly Provides for Term of Imprisonment in County or City Jail or Detention Facility.
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 energy; creating the Fund for Renewable Energy, Energy Efficiency and Energy Conservation Loans and the Account for Set-Aside Programs; authorizing the Director of the Department of Energy to administer the Fund; authorizing the granting of partial abatements of certain property taxes and local sales and use taxes to certain facilities for the generation of process heat from solar renewable energy, wholesale facilities for the generation of electricity from renewable energy facilities for the generation of electricity from geothermal resources and facilities for the transmission of electricity produced from renewable energy; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Sections 1.1-1.8 of this bill establish the Fund for Renewable Energy, Energy Efficiency and Energy Conservation Loans and the Account for Set-Aside Programs. The Director of the Office of Energy administers the Fund. The Fund and the Account for Set-Aside Programs may be used only for the purposes set forth in the American Recovery and Reinvestment Act and to make loans at a rate of not more than 3 percent to renewable energy systems for the construction of renewable energy projects. The Director is prohibited from committing any money in the Fund for expenditure ~~for establishing the priorities for determining which renewable energy systems will receive money or other assistance from the Fund~~ without obtaining the prior approval of the Legislature or the Interim Finance Committee if the Legislature is not in session.

Section 28 of this bill authorizes the Nevada Energy Commissioner appointed pursuant to ~~section 1.85 of this bill~~ 1.21 of Senate Bill No. 358 of this session to grant partial abatements of property taxes and local sales and use taxes to certain facilities for the generation of process heat from solar renewable energy, wholesale facilities for the generation of electricity from renewable energy facilities for the generation of electricity from geothermal resources and facilities for the transmission of electricity produced from renewable energy. These abatements will cease to be effective in 40 years.

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

Section 1. Chapter 701 of NRS is hereby amended by adding thereto the provisions set forth as sections 1.1 to 1.95, inclusive, of this act.

Sec. 1.1. *As used in sections 1.1 to 1.8, inclusive, of this act, the words and terms defined in sections 1.15 to 1.45, inclusive, of this act have the meanings ascribed to them in those sections.*

Sec. 1.15. *“American Recovery and Reinvestment Act” means the American Recovery and Reinvestment Act of 2009, Public Law 111-5.*

Sec. 1.2. *“Construction” means the erection, building, acquisition, alteration, remodeling, improvement or extension of a project and the inspection and supervision of such activities and includes, without limitation:*

- 1. Any preliminary planning to determine the feasibility of a project;*
- 2. Engineering, architectural, legal, environmental, fiscal or economic investigations or studies, surveys, designs, plans, working drawings, specifications or procedures that comply with the provisions of the American Recovery and Reinvestment Act and any regulations adopted pursuant thereto; and*

- 3. Any other activities reasonably necessary to the completion of a project.*

Sec. 1.3. *“Federal grant” means money authorized by the American Recovery and Reinvestment Act to:*

- 1. Create a revolving loan fund to assist in the financing of the construction of renewable energy projects; or*
- 2. Fund set-aside programs authorized by the American Recovery and Reinvestment Act.*

Sec. 1.4. *“Fund” means the Fund for Renewable Energy, Energy Efficiency and Energy Conservation Loans created by section 1.5 of this act.*

Sec. 1.45. *“Renewable energy system” has the meaning ascribed to it in NRS 704.7815.*

Sec. 1.5. *1. The Fund for Renewable Energy, Energy Efficiency and Energy Conservation Loans is hereby created. The Director shall administer the Fund.*

2. The account to fund activities, other than projects, authorized by the American Recovery and Reinvestment Act, to be known as the Account for Set-Aside Programs, is hereby created in the Fund for the Municipal Bond Bank.

3. The money in the Fund and the Account for Set-Aside Programs may be used only for the purposes set forth in the American Recovery and Reinvestment Act.

4. All claims against the Fund and the Account for Set-Aside Programs must be paid as other claims against the State are paid.

5. The faith of the State is hereby pledged that the money in the Account for the Revolving Fund and the Account for Set-Aside Programs will not be used for purposes other than those authorized by the American Recovery and Reinvestment Act.

Sec. 1.6. *1. The interest and income earned on money in the Fund and the Account for Set-Aside Programs must be credited to the Fund and the Account for Set-Aside Programs, respectively.*

2. All payments of principal and interest on all loans made to a renewable energy system and all proceeds from the sale, refunding or prepayment of obligations of a renewable energy system acquired or loans made in carrying out

the purposes of the Fund must be deposited in the State Treasury for credit to the Fund.

3. The Director may accept gifts, contributions, grants and bequests of money from any public or private source. The money so accepted must be deposited in the State Treasury for credit to the Fund, or the Account for Set-Aside Programs, and can be used to provide money from the State to match the federal grant, as required by the American Recovery and Reinvestment Act.

4. Only federal money deposited in a separate subaccount of the Fund, including repayments of principal and interest on loans made solely from federal money, and interest and income earned on federal money in the Fund, may be used to benefit renewable energy systems not governmentally owned.

Sec. 1.7. 1. The Director shall:

(a) Use the money in the Fund and the Account for Set-Aside Programs for the purposes set forth in the American Recovery and Reinvestment Act.

(b) Determine whether renewable energy systems which receive money or other assistance from the Fund or the Account for Set-Aside Programs comply with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto.

2. The Director may:

(a) Prepare and enter into required agreements with the Federal Government for the acceptance of grants of money for the Fund and the Account for Set-Aside Programs.

(b) Bind the Office of Energy to terms of the required agreements.

(c) Accept grants made pursuant to the American Recovery and Reinvestment Act.

(d) Manage the Fund and the Account for Set-Aside Programs in accordance with the requirements and objectives of the American Recovery and Reinvestment Act.

(e) Provide services relating to management and administration of the Fund and the Account for Set-Aside Programs, including the preparation of any agreement, plan or report.

(f) Perform, or cause to be performed by agencies or organizations through interagency agreement, contract or memorandum of understanding, set-aside programs pursuant to the American Recovery and Reinvestment Act.

3. The Director shall not ~~fr~~

~~(a) Commit~~ commit any money in the Fund for expenditure for the purposes set forth in section 1.75 of this act ~~fr or~~

~~(b) Establish the priorities for determining which renewable energy systems will receive money or other assistance from the Fund,~~

~~fr~~ without obtaining the prior approval of the Legislature or the Interim Finance Committee if the Legislature is not in session.

Sec. 1.75. 1. Except as otherwise provided in section 1.6 of this act, money in the Fund, including repayments of principal and interest on loans, and interest and income earned on money in the Fund, may be used only to make loans at a rate of not more than 3 percent to renewable energy systems for the construction of renewable energy projects.

2. Money in the Account for Set-Aside Programs may be used only to fund set-aside programs authorized by the American Recovery and Reinvestment Act. Money in the Account for Set-Aside Programs may be transferred to the Fund pursuant to the American Recovery and Reinvestment Act.

3. A renewable energy system which requests a loan or other financial assistance must demonstrate that it has:

(a) Complied with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto; or

(b) Agreed to take actions that are needed to ensure that it has the capability to comply with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto.

4. Money from the Fund may not be given to an existing renewable energy system unless it has the technical, managerial and financial capability to ensure compliance with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto. A new renewable energy system, to receive such funding, must demonstrate that it has the technical, managerial and financial capability to ensure compliance with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto.

Sec. 1.8. *The Director may adopt such regulations as are necessary to carry out the provisions of sections 1.1 to 1.8, inclusive, of this act.*

Sec. 1.85. ~~1. The Governor shall appoint the Nevada Energy Commissioner, subject to confirmation by the Legislature, or the Legislative Commission if the Legislature is not in session.~~

~~2. The Commissioner:~~

~~(a) Is in the unclassified service of the State;~~

~~(b) Serves at the pleasure of the Governor; and~~

~~(c) Must have experience and demonstrated expertise in one or more of the following fields:~~

~~(1) Financing of energy projects;~~

~~(2) Energy generation projects;~~

~~(3) Energy transmission projects;~~

~~(4) Professional engineering related to energy efficiency; or~~

~~(5) Renewable energy.~~

~~3. The Commissioner may, within the limits of legislative appropriations or authorizations:~~

~~(a) Employ and fix the salaries of or contract for the services of such professional, technical and operational personnel and consultants as the execution of his duties may require;~~

~~(b) Employ, or retain on a contract basis, legal counsel who shall:~~

~~(1) Act as counsel and attorney for the Commissioner in all actions, proceedings and hearings; and~~

~~(2) Generally aid the Commissioner in the performance of his duties; and~~

~~(c) Employ such additional personnel as may be required to carry out his duties, who must be in the classified service of the State.~~

~~4. A person employed by the Commissioner pursuant to this section must be qualified by training and experience to perform the duties of his employment.~~

~~5. The Commissioner and the persons employed by the Commissioner shall not have any conflict of interest relating to the performance of their duties.]~~

~~(Deleted by amendment.)~~

Sec. 1.9. ~~[The Nevada Energy Commissioner shall:~~

~~1. Utilize all available public and private means to:~~

~~(a) Provide information to the public about issues relating to energy and to explain how conservation of energy and its sources may be accomplished; and~~

~~(b) Work with educational and research institutes, trade associations and any other public and private entities in this State to create a database for information on technological development, financing opportunities and federal and state policy developments regarding renewable energy and energy efficiency.~~

~~2. Encourage the development of any sources of renewable energy and any other energy projects which will benefit the State and any measures which conserve or reduce the demand for energy or which result in more efficient use of energy by, without limitation:~~

~~(a) Identifying appropriate areas in this State for the development of sources of renewable energy, based on:~~

~~(1) Assessments of solar, wind and geothermal potential;~~

~~(2) Evaluations of natural resource constraints;~~

~~(3) Current electric transmission infrastructure and capacity; and~~

~~(4) The feasibility of the construction of new electric transmission lines;~~

~~(b) Working with renewable energy developers to locate their projects within appropriate areas of this State, including, without limitation, assisting the developers to interface with the Bureau of Land Management, the Department of Defense and other federal agencies in:~~

~~(1) Expediting land leases;~~

~~(2) Resolving site issues; and~~

~~(3) Receiving permits for projects on public lands within the appropriate areas of this State;~~

~~(c) Coordinating the planning of renewable energy projects in appropriate areas of this State to establish a mix of solar, wind and geothermal renewable energy systems that create a reliable source of energy and maximize use of current or future transmission lines and infrastructure; and~~

~~(d) Developing proposals for the financing of future electric transmission projects for renewable energy if no such financing proposals exist.~~

~~3. Review jointly with the Nevada System of Higher Education the policies of this State relating to the research and development of the geothermal energy resources in this State and make recommendations to the appropriate state and federal agencies concerning methods for the development of the geothermal energy resources in this State.~~

~~4. If the Commissioner determines that it is feasible and cost effective, enter into contracts with researchers from the Nevada System of Higher Education:~~

~~(a) To conduct environmental studies in connection with the identification of appropriate areas in this State for the development of renewable energy resources, including, without limitation, hydrologic studies, solar resource mapping studies and wind power modeling studies; and~~

~~(b) For the development of technologies that will facilitate the energy efficiency of the electricity grid for this State, including, without limitation, meters that facilitate energy efficiency for consumers of electricity.~~

~~5. Cooperate with the Director:~~

~~(a) To promote energy projects that enhance the economic development of the State;~~

~~(b) To promote the use of renewable energy in this State;~~

~~(c) To promote the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy;~~

~~(d) To develop a comprehensive program for retrofitting public buildings in this State with energy efficiency measures; and~~

~~(e) If the Commissioner determines that it is feasible and cost effective, to enter into contracts with researchers from the Nevada System of Higher Education for the design of energy efficiency and retrofit projects to carry out the comprehensive program for retrofitting public buildings in this State developed pursuant to paragraph (d).~~

~~6. Coordinate activities and programs with the activities and programs of the Office of Energy, the Consumer's Advocate and the Public Utilities~~

~~Commission of Nevada in general and with other federal, state and local officers and agencies that promote, fund, administer or operate activities and programs related to the use of renewable energy and the use of measures which conserve or reduce the demand for energy or which result in more efficient use of energy.~~

~~7. Carry out all other directives concerning energy that are prescribed by the Legislature.~~ (Deleted by amendment.)

Sec. 1.95. ~~The Commissioner may:~~

~~1. Administer any gifts or grants which he is authorized to accept.~~

~~2. Expend money received from those gifts or grants or from any money received through legislative appropriations or authorizations to contract with qualified persons or institutions for research in the production and efficient use of energy resources.~~

~~3. Enter into any cooperative agreement with any federal or state agency or political subdivision.~~

~~4. Participate in any program established by the Federal Government relating to sources of energy and adopt regulations appropriate to such a program.~~

~~5. Assist developers of renewable energy systems in preparing and making requests to obtain money for development through the issuance of industrial development revenue bonds pursuant to NRS 349.400 to 349.670, inclusive.~~

~~6. Adopt any regulations that the Commissioner determines are necessary to carry out his duties.~~

~~7. Within the limits of legislative appropriations and other money authorized for expenditure for such purposes, negotiate and execute agreements with public or private entities which are necessary to the exercise of the powers and duties of the Commissioner.~~ (Deleted by amendment.)

Sec. 2. (Deleted by amendment.)

Sec. 3. (Deleted by amendment.)

Sec. 4. (Deleted by amendment.)

Sec. 5. (Deleted by amendment.)

Sec. 6. (Deleted by amendment.)

Sec. 7. (Deleted by amendment.)

Sec. 8. (Deleted by amendment.)

Sec. 9. (Deleted by amendment.)

Sec. 10. (Deleted by amendment.)

Sec. 11. (Deleted by amendment.)

Sec. 12. (Deleted by amendment.)

Sec. 13. (Deleted by amendment.)

Sec. 14. (Deleted by amendment.)

Sec. 15. (Deleted by amendment.)

Sec. 16. (Deleted by amendment.)

Sec. 17. (Deleted by amendment.)

Sec. 18. (Deleted by amendment.)

Sec. 19. (Deleted by amendment.)

Sec. 20. (Deleted by amendment.)

Sec. 21. (Deleted by amendment.)

Sec. 22. (Deleted by amendment.)

Sec. 23. (Deleted by amendment.)

Sec. 24. (Deleted by amendment.)

Sec. 25. (Deleted by amendment.)

Sec. 26. (Deleted by amendment.)

Sec. 27. (Deleted by amendment.)

1 **Sec. 27.5.** Chapter 701A of NRS is hereby amended by adding thereto the
2 provisions set forth as sections 28 and 28.5 of this act.

3 **Sec. 28. 1.** *A person who intends to locate a facility for the generation of*
4 *process heat from solar renewable energy, a wholesale facility for the generation*
5 *of electricity from renewable energy, a facility for the generation of electricity*
6 *from geothermal resources or a facility for the transmission of electricity*
7 *produced from renewable energy in this State may apply to the Director for a*
8 *partial abatement of the local sales and use taxes, the taxes imposed pursuant to*
9 *chapter 361 of NRS, or both local sales and use taxes and taxes imposed*
10 *pursuant to chapter 361 of NRS. ~~[A person who intends to locate a facility for the~~*
11 *~~generation of electricity from geothermal resources in this State may apply to the~~*
12 *~~Director for a partial abatement of local sales and use taxes.]~~ A facility that is*
13 *owned, operated, leased or otherwise controlled by a governmental entity is not*
14 *eligible for an abatement pursuant to this section.*

15 2. As soon as practicable after the Director receives such an application, the
16 Director shall submit the application to the Commissioner and forward a copy of
17 the application to:

- 18 (a) The Chief of the Budget Division of the Department of Administration;
19 (b) The Department of Taxation;
20 (c) The board of county commissioners;
21 (d) The county assessor;
22 (e) The county treasurer; and
23 (f) The Commission on Economic Development.

24 ➤ With the copy of the application forwarded to the county treasurer, the
25 Director shall include a notice that the local jurisdiction may request a
26 presentation regarding the facility. A request for a presentation must be made
27 within 30 days after receipt of the application. The Commissioner shall hold a
28 public hearing on the application. The hearing must not be held earlier than 30
29 days after all persons listed in this subsection have received a copy of the
30 application.

31 3. ~~[The]~~ Except as otherwise provided in subsection 4, the Commissioner
32 shall approve an application for a partial abatement pursuant to this section if
33 the Commissioner makes the following determinations:

34 (a) The applicant has executed an agreement with the Commissioner which
35 must:

36 (1) State that the facility will, after the date on which a certificate of
37 eligibility for the abatement is issued pursuant to subsection 6, continue in
38 operation in this State for a period specified by the Commissioner, which must be
39 at least 10 years, and will continue to meet the eligibility requirements for the
40 abatement; and

41 (2) Bind the successors in interest in the facility for the specified period.

42 (b) The facility is registered pursuant to the laws of this State or the
43 applicant commits to obtain a valid business license and all other permits
44 required by the county, city or town in which the facility operates.

45 (c) No funding is or will be provided by any governmental entity in this State
46 for the acquisition, design or construction of the facility or for the acquisition of
47 any land therefor, except any private activity bonds as defined in 26 U.S.C. § 141.

48 (d) If the facility will be located in a county whose population is 100,000 or
49 more or a city whose population is 60,000 or more, the facility meets the
50 following requirements:

51 (1) There will be 75 or more full-time employees working on the
52 construction of the facility during the second quarter of construction, including,

1 *unless waived by the Commissioner for good cause, at least 30 percent who are*
2 *residents of Nevada;*

3 *(2) Establishing the facility will require the facility to make a capital*
4 *investment of at least \$10,000,000 in this State;*

5 *(3) The average hourly wage that will be paid by the facility to its*
6 *employees in this State is at least 110 percent of the average statewide hourly*
7 *wage, excluding management and administrative employees, as established by the*
8 *Employment Security Division of the Department of Employment, Training and*
9 *Rehabilitation on July 1 of each fiscal year; and*

10 *(4) The average hourly wage of the employees working on the*
11 *construction of the facility will be at least 150 percent of the average statewide*
12 *hourly wage, excluding management and administrative employees, as*
13 *established by the Employment Security Division of the Department of*
14 *Employment, Training and Rehabilitation on July 1 of each fiscal year and:*

15 *(I) The employees working on the construction of the facility must be*
16 *provided a health insurance plan that includes an option for health insurance*
17 *coverage for dependents of the employees; and*

18 *(II) The cost of the benefits provided to the employees working on the*
19 *construction of the facility will meet the minimum requirements for benefits*
20 *established by the Commissioner by regulation pursuant to subsection 9.*

21 *(e) If the facility will be located in a county whose population is less than*
22 *100,000 or a city whose population is less than 60,000, the facility meets the*
23 *following requirements:*

24 *(1) There will be 50 or more full-time employees working on the*
25 *construction of the facility during the second quarter of construction, including,*
26 *unless waived by the Commissioner for good cause, at least 30 percent who are*
27 *residents of Nevada;*

28 *(2) Establishing the facility will require the facility to make a capital*
29 *investment of at least \$3,000,000 in this State;*

30 *(3) The average hourly wage that will be paid by the facility to its*
31 *employees in this State is at least 110 percent of the average statewide hourly*
32 *wage, excluding management and administrative employees, as established by the*
33 *Employment Security Division of the Department of Employment, Training and*
34 *Rehabilitation on July 1 of each fiscal year; and*

35 *(4) The average hourly wage of the employees working on the*
36 *construction of the facility will be at least 150 percent of the average statewide*
37 *hourly wage, excluding management and administrative employees, as*
38 *established by the Employment Security Division of the Department of*
39 *Employment, Training and Rehabilitation on July 1 of each fiscal year and:*

40 *(I) The employees working on the construction of the facility must be*
41 *provided a health insurance plan that includes an option for health insurance*
42 *coverage for dependents of the employees; and*

43 *(II) The cost of the benefits provided to the employees working on the*
44 *construction of the facility will meet the minimum requirements for benefits*
45 *established by the Commissioner by regulation pursuant to subsection 9.*

46 *(f) The financial benefits that will result to this State from the employment by*
47 *the facility of the residents of this State and from capital investments by the*
48 *facility in this State will exceed the loss of tax revenue that will result from the*
49 *abatement.*

50 *4. The Commissioner shall not approve an application for a partial*
51 *abatement of the taxes imposed pursuant to chapter 361 of NRS submitted*
52 *pursuant to subsection 2 by a facility for the generation of electricity from*
53 *geothermal resources unless the application is approved pursuant to this*

subsection. The board of county commissioners of a county must approve or deny the application not later than 30 days after the board receives a copy of the application. The board of county commissioners must not condition the approval of the application on a requirement that the facility for the generation of electricity from geothermal resources agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility. If the board of county commissioners does not approve or deny the application within 30 days after the board receives the application, the application shall be deemed denied.

5. Notwithstanding the provisions of subsection ~~2.1~~ 3, the Commissioner may, if the Commissioner determines that such action is necessary:

(a) Approve an application for a partial abatement for a facility that does not meet the requirements set forth in paragraph (d) or (e) of subsection 3; or

(b) ~~Make the requirements set forth in paragraph (d) or (e) of subsection 3 more stringent; or~~

~~(c)~~ Add additional requirements that a facility must meet to qualify for a partial abatement.

~~5.1~~ 6. If the Commissioner approves an application for a partial abatement pursuant to this section of:

(a) Property taxes imposed pursuant to chapter 361 of NRS, the partial abatement must:

(1) Be for a duration of the 20 fiscal years immediately following the date of approval of the application;

(2) Be equal to 55 percent of the taxes on real and personal property payable by the facility each year; and

(3) Not apply during any period in which the facility is receiving another abatement or exemption from property taxes imposed pursuant to chapter 361 of NRS, other than any partial abatement provided pursuant to NRS 361.4722.

(b) Local sales and use taxes:

(1) The partial abatement must:

(I) Be for the ~~2.1~~ 3 years beginning on the date of approval of the application;

(II) Be equal to that portion of the combined rate of all the local sales and use taxes payable by the facility each year which exceeds ~~10.5~~ 0.6 percent; and

(III) Not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes.

(2) The Department of Taxation shall issue to the facility a document certifying the abatement which can be presented to retailers at the time of sale. The document must clearly state that the purchaser is only required to pay sales and use taxes imposed in this State at the rate of ~~2.5~~ 2.6 percent.

~~6.1~~ 7. Upon approving an application for a partial abatement pursuant to this section, the Commissioner shall immediately notify the Director of the terms of the abatement and the Director shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department of Taxation;

(b) The board of county commissioners;

(c) The county assessor;

(d) The county treasurer; and

(e) The Commission on Economic Development.

~~7.1~~ 8. As soon as practicable after receiving a copy of:

1 (a) *An application pursuant to subsection 2:*

2 (1) *The Chief of the Budget Division shall publish a fiscal note that*
3 *indicates an estimate of the fiscal impact of the partial abatement on the State*
4 *and forward a copy of the fiscal note to the Director for submission to the*
5 *Commissioner; and*

6 (2) *The Department of Taxation shall publish a fiscal note that indicates*
7 *an estimate of the fiscal impact of the partial abatement on each affected local*
8 *government, and forward a copy of the fiscal note to each affected local*
9 *government and to the Director for submission to the Commissioner.*

10 (b) *A certificate of eligibility pursuant to subsection 6, the Department of*
11 *Taxation shall forward a copy of the certificate to each affected local*
12 *government.*

13 ~~8.7~~ 9. *A partial abatement approved by the Commissioner pursuant to this*
14 *section terminates upon any determination by the Commissioner that the facility*
15 *has ceased to meet any eligibility requirements for the abatement. The*
16 *Commissioner shall provide notice and a reasonable opportunity to cure any*
17 *noncompliance issues before making a determination that the facility has ceased*
18 *to meet those requirements. The Commissioner shall immediately provide notice*
19 *of each determination of termination to the Director, and the Director shall*
20 *immediately provide a copy of the notice to:*

21 (a) *The Commissioner, who shall immediately notify each affected local*
22 *government of the determination;*

23 (b) *The board of county commissioners;*

24 (c) *The county assessor;*

25 (d) *The county treasurer; and*

26 (e) *The Commission on Economic Development.*

27 ~~9.7~~ 10. *The Commissioner:*

28 (a) *Shall adopt regulations:*

29 (1) *Prescribing the minimum level of benefits that a facility must provide*
30 *to its employees if the facility is going to use benefits paid to employees as a basis*
31 *to qualify for a partial abatement pursuant to this section;*

32 (2) *Prescribing such requirements for an application for a partial*
33 *abatement pursuant to this section as will ensure that all information and other*
34 *documentation necessary for the Commissioner to make an appropriate*
35 *determination is filed with the Director;*

36 (3) *Requiring each recipient of a partial abatement pursuant to this*
37 *section to file annually with the Director, for submission to the Commissioner,*
38 *such information and documentation as may be necessary for the Commissioner*
39 *to determine whether the recipient is in compliance with any eligibility*
40 *requirements for the abatement; and*

41 (4) *Regarding the capital investment that a facility must make to meet the*
42 *requirement set forth in paragraph (d) or (e) of subsection 3; and*

43 (b) *May adopt such other regulations as the Commissioner determines to be*
44 *necessary to carry out the provisions of this section.*

45 ~~10.7~~ 11. *Notwithstanding any statutory provision to the contrary, if the*
46 *Commissioner approves an application for a partial abatement pursuant to this*
47 *section of:*

48 (a) *Property taxes imposed pursuant to chapter 361 of NRS, the amount of*
49 *all the property taxes which are collected from the facility for the period of the*
50 *abatement must be allocated and distributed in such a manner that:*

51 (1) ~~*For the period beginning on July 1, 2009, and ending on June 30,*~~
52 ~~*2011.*~~

~~(1) Forty-five percent of that amount is deposited in the unrestricted balance of the State General Fund; and~~

~~(11) (2) Fifty-five percent of that amount is distributed to the local governmental entities that would otherwise be entitled to receive those taxes in proportion to the relative amount of those taxes those entities would otherwise be entitled to receive. and~~

~~(2) For the period beginning on July 1, 2011, and ending on June 30, 2049:~~

~~(1) Forty-five percent of that amount is deposited in the Renewable Energy Fund created by section 28.5 of this act; and~~

~~(11) Fifty-five percent of that amount is distributed to the local governmental entities that would otherwise be entitled to receive those taxes in proportion to the relative amount of those taxes those entities would otherwise be entitled to receive.~~

(b) Local sales and use taxes, the State Controller shall allocate, transfer and remit an amount equal to all the sales and use taxes imposed in this State and collected from the facility for the period of the abatement in the same manner as if that amount consisted solely of the proceeds of taxes imposed by NRS 374.110 and 374.190.

~~(11) 12.~~ 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) "Commissioner" means the Nevada Energy Commissioner appointed pursuant to section ~~1.85~~ 1.21 of Senate Bill No. 358 of this ~~act~~ session.

(c) "Director" means the Director of the Office of Energy appointed pursuant to NRS 701.150.

(d) "Facility for the generation of electricity from renewable energy" means a facility for the generation of electricity that:

- (1) Uses renewable energy as its primary source of energy; and
- (2) Has a generating capacity of at least 10 megawatts.

↪ The term does not include a facility that is located on residential property.

(e) "Facility for the generation of process heat from solar renewable energy" means a facility that:

- (1) Uses solar renewable energy to generate process heat; and
- (2) Has an output capacity of at least ~~12,920,000~~ 25,840,000 British thermal units per hour.

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

(g) "Local sales and use taxes" means any taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in any political subdivision of this State, except the taxes imposed by the Sales and Use Tax Act.

(h) "Renewable energy" means:

- (1) Biomass;
- (2) Fuel cells;
- (3) Solar energy;
- (4) Waterpower; or

(5) Wind.

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

(i) “Wholesale facility for the generation of electricity from renewable energy” means a facility for the generation of electricity from renewable energy that, except as otherwise provided in subparagraph (2), does not sell the electricity to the end user of the electricity. The term includes:

(1) All the machinery and equipment that is used in the facility to collect and store the renewable energy and to convert the renewable energy into electricity.

(2) A facility that is owned, leased or otherwise controlled by an entity that has authority to sell electricity and provide transmission services or distribution services, or both.

Sec. 28.5. The Renewable Energy Fund is hereby created. The Nevada Energy Commissioner appointed pursuant to section ~~1.85~~ 1.21 of Senate Bill No. 358 of this ~~last~~ session shall administer the Fund. The interest and income earned on the money in the fund must be credited to the fund. ~~The~~ Not less than 75 percent of the money in the fund must be used ~~primarily to defer the rate of the utility to the consumer or otherwise~~ to offset the cost of electricity ~~and natural gas~~ to retail customers ~~of a public utility that is subject to the portfolio standard established by the Public Utilities Commission of Nevada pursuant to NRS 704.7821. The Nevada Energy Commissioner may establish other uses of the money in the Fund by regulation.~~

Sec. 29. (Deleted by amendment.)

Sec. 30. (Deleted by amendment.)

Sec. 31. (Deleted by amendment.)

Sec. 32. (Deleted by amendment.)

Sec. 33. (Deleted by amendment.)

Sec. 34. (Deleted by amendment.)

Sec. 35. (Deleted by amendment.)

Sec. 36. (Deleted by amendment.)

Sec. 37. (Deleted by amendment.)

Sec. 38. (Deleted by amendment.)

Sec. 39. (Deleted by amendment.)

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Sec. 41. (Deleted by amendment.)

Sec. 42. (Deleted by amendment.)

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Sec. 51. (Deleted by amendment.)

Sec. 52. (Deleted by amendment.)

Sec. 53. (Deleted by amendment.)

Sec. 54. (Deleted by amendment.)

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Sec. 56. (Deleted by amendment.)

Sec. 57. (Deleted by amendment.)

Sec. 58. (Deleted by amendment.)

1 **Sec. 59.** (Deleted by amendment.)
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37 **Sec. 95.** (Deleted by amendment.)
38 **Sec. 96.** (Deleted by amendment.)
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41 **Sec. 99.** (Deleted by amendment.)
42 **Sec. 100.** (Deleted by amendment.)
43 **Sec. 101.** (Deleted by amendment.)
44 **Sec. 102.** (Deleted by amendment.)
45 **Sec. 103.** (Deleted by amendment.)
46 **Sec. 104.** (Deleted by amendment.)
47 **Sec. 105.** (Deleted by amendment.)
48 **Sec. 106.** (Deleted by amendment.)

49 **Sec. 106.5.** Section 28 of this act is hereby amended to read as follows:

50 Sec. 28. 1. A person who intends to locate a facility for the
51 generation of process heat from solar renewable energy, a wholesale facility
52 for the generation of electricity from renewable energy , a facility for the
53 generation of electricity from geothermal resources or a facility for the

transmission of electricity produced from renewable energy in this State may apply to the Director for a partial abatement of the local sales and use taxes, the taxes imposed pursuant to chapter 361 of NRS, or both local sales and use taxes and taxes imposed pursuant to chapter 361 of NRS. A facility that is owned, operated, leased or otherwise controlled by a governmental entity is not eligible for an abatement pursuant to this section.

2. As soon as practicable after the Director receives such an application, the Director shall submit the application to the Commissioner and forward a copy of the application to:

(a) The Chief of the Budget Division of the Department of Administration;

(b) The Department of Taxation;

(c) The board of county commissioners;

(d) The county assessor;

(e) The county treasurer; and

(f) The Commission on Economic Development.

➡ With the copy of the application forwarded to the county treasurer, the Director shall include a notice that the local jurisdiction may request a presentation regarding the facility. A request for a presentation must be made within 30 days after receipt of the application. The Commissioner shall hold a public hearing on the application. The hearing must not be held earlier than 30 days after all persons listed in this subsection have received a copy of the application.

3. Except as otherwise provided in subsection 4, the Commissioner shall approve an application for a partial abatement pursuant to this section if the Commissioner makes the following determinations:

(a) The applicant has executed an agreement with the Commissioner which must:

(1) State that the facility will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 6, continue in operation in this State for a period specified by the Commissioner, which must be at least 10 years, and will continue to meet the eligibility requirements for the abatement; and

(2) Bind the successors in interest in the facility for the specified period.

(b) The facility is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the facility operates.

(c) No funding is or will be provided by any governmental entity in this State for the acquisition, design or construction of the facility or for the acquisition of any land therefor, except any private activity bonds as defined in 26 U.S.C. § 141.

(d) If the facility will be located in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the facility meets the following requirements:

(1) There will be 75 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the Commissioner for good cause, at least 30 percent who are residents of Nevada;

(2) Establishing the facility will require the facility to make a capital investment of at least \$10,000,000 in this State;

(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide

hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and

(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the Commissioner by regulation pursuant to subsection 9.

(e) If the facility will be located in a county whose population is less than 100,000 or a city whose population is less than 60,000, the facility meets the following requirements:

(1) There will be 50 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the Commissioner for good cause, at least 30 percent who are residents of Nevada;

(2) Establishing the facility will require the facility to make a capital investment of at least \$3,000,000 in this State;

(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and

(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The employees working on the construction of the facility must be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the Commissioner by regulation pursuant to subsection 9.

(f) The financial benefits that will result to this State from the employment by the facility of the residents of this State and from capital investments by the facility in this State will exceed the loss of tax revenue that will result from the abatement.

4. The Commissioner shall not approve an application for a partial abatement of the taxes imposed pursuant to chapter 361 of NRS submitted pursuant to subsection 2 by a facility for the generation of electricity from geothermal resources unless the application is approved pursuant to this subsection. The board of county commissioners of a county must approve or deny the application not later than 30 days after the board receives a

copy of the application. The board of county commissioners must not condition the approval of the application on a requirement that the facility for the generation of electricity from geothermal resources agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility. If the board of county commissioners does not approve or deny the application within 30 days after the board receives the application, the application shall be deemed denied.

5. Notwithstanding the provisions of subsection 3, the Commissioner may, if the Commissioner determines that such action is necessary:

(a) Approve an application for a partial abatement for a facility that does not meet the requirements set forth in paragraph (d) or (e) of subsection 3; or

(b) Add additional requirements that a facility must meet to qualify for a partial abatement.

6. If the Commissioner approves an application for a partial abatement pursuant to this section of:

(a) Property taxes imposed pursuant to chapter 361 of NRS, the partial abatement must:

(1) Be for a duration of the 20 fiscal years immediately following the date of approval of the application;

(2) Be equal to 55 percent of the taxes on real and personal property payable by the facility each year; and

(3) Not apply during any period in which the facility is receiving another abatement or exemption from property taxes imposed pursuant to chapter 361 of NRS, other than any partial abatement provided pursuant to NRS 361.4722.

(b) Local sales and use taxes:

(1) The partial abatement must:

(I) Be for the 3 years beginning on the date of approval of the application;

(II) Be equal to that portion of the combined rate of all the local sales and use taxes payable by the facility each year which exceeds ~~10.6~~ 0.25 percent; and

(III) Not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes.

(2) The Department of Taxation shall issue to the facility a document certifying the abatement which can be presented to retailers at the time of sale. The document must clearly state that the purchaser is only required to pay sales and use taxes imposed in this State at the rate of ~~12.6~~ 2.25 percent.

7. Upon approving an application for a partial abatement pursuant to this section, the Commissioner shall immediately notify the Director of the terms of the abatement and the Director shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department of Taxation;

(b) The board of county commissioners;

(c) The county assessor;

(d) The county treasurer; and

(e) The Commission on Economic Development.

8. As soon as practicable after receiving a copy of:

(a) An application pursuant to subsection 2:

(1) The Chief of the Budget Division shall publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement on the State and forward a copy of the fiscal note to the Director for submission to the Commissioner; and

(2) The Department of Taxation shall publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement on each affected local government, and forward a copy of the fiscal note to each affected local government and to the Director for submission to the Commissioner.

(b) A certificate of eligibility pursuant to subsection 6, the Department of Taxation shall forward a copy of the certificate to each affected local government.

9. A partial abatement approved by the Commissioner pursuant to this section terminates upon any determination by the Commissioner that the facility has ceased to meet any eligibility requirements for the abatement. The Commissioner shall provide notice and a reasonable opportunity to cure any noncompliance issues before making a determination that the facility has ceased to meet those requirements. The Commissioner shall immediately provide notice of each determination of termination to the Director, and the Director shall immediately provide a copy of the notice to:

(a) The Commissioner, who shall immediately notify each affected local government of the determination;

(b) The board of county commissioners;

(c) The county assessor;

(d) The county treasurer; and

(e) The Commission on Economic Development.

10. The Commissioner:

(a) Shall adopt regulations:

(1) Prescribing the minimum level of benefits that a facility must provide to its employees if the facility is going to use benefits paid to employees as a basis to qualify for a partial abatement pursuant to this section;

(2) Prescribing such requirements for an application for a partial abatement pursuant to this section as will ensure that all information and other documentation necessary for the Commissioner to make an appropriate determination is filed with the Director;

(3) Requiring each recipient of a partial abatement pursuant to this section to file annually with the Director, for submission to the Commissioner, such information and documentation as may be necessary for the Commissioner to determine whether the recipient is in compliance with any eligibility requirements for the abatement; and

(4) Regarding the capital investment that a facility must make to meet the requirement set forth in paragraph (d) or (e) of subsection 3; and

(b) May adopt such other regulations as the Commissioner determines to be necessary to carry out the provisions of this section.

11. Notwithstanding any statutory provision to the contrary, if the Commissioner approves an application for a partial abatement pursuant to this section of:

(a) Property taxes imposed pursuant to chapter 361 of NRS, the amount of all the property taxes which are collected from the facility for the period of the abatement must be allocated and distributed in such a manner that:

(1) Forty-five percent of that amount is deposited in the ~~unrestricted balance of the State General Fund;~~ Renewable Energy Fund created by section 28.5 of this act; and

(2) Fifty-five percent of that amount is distributed to the local governmental entities that would otherwise be entitled to receive those taxes in proportion to the relative amount of those taxes those entities would otherwise be entitled to receive.

(b) Local sales and use taxes, the State Controller shall allocate, transfer and remit an amount equal to all the sales and use taxes imposed in this State and collected from the facility for the period of the abatement in the same manner as if that amount consisted solely of the proceeds of taxes imposed by NRS 374.110 and 374.190.

12. 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) "Commissioner" means the Nevada Energy Commissioner appointed pursuant to section 1.21 of Senate Bill No. 358 of this session.

(c) "Director" means the Director of the Office of Energy appointed pursuant to NRS 701.150.

(d) "Facility for the generation of electricity from renewable energy" means a facility for the generation of electricity that:

- (1) Uses renewable energy as its primary source of energy; and
- (2) Has a generating capacity of at least 10 megawatts.

➡ The term does not include a facility that is located on residential property.

(e) "Facility for the generation of process heat from solar renewable energy" means a facility that:

- (1) Uses solar renewable energy to generate process heat; and
- (2) Has an output capacity of at least 25,840,000 British thermal units per hour.

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

(g) "Local sales and use taxes" means any taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in any political subdivision of this State, except the taxes imposed by the Sales and Use Tax Act.

(h) "Renewable energy" means:

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

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

(i) "Wholesale facility for the generation of electricity from renewable energy" means a facility for the generation of electricity from renewable

energy that, except as otherwise provided in subparagraph (2), does not sell the electricity to the end user of the electricity. The term includes:

(1) All the machinery and equipment that is used in the facility to collect and store the renewable energy and to convert the renewable energy into electricity.

(2) A facility that is owned, leased or otherwise controlled by an entity that has authority to sell electricity and provide transmission services or distribution services, or both.

Sec. 106.7. Section 1.21 of Senate Bill No. 358 of this session is hereby amended to read as follows:

Sec. 1.21. 1. The Governor shall appoint the Nevada Energy Commissioner as the head of the Authority, ~~subject to confirmation by the Legislature, or the Legislative Commission if the Legislature is not in session.~~

2. The Commissioner:

(a) Is in the unclassified service of the State;

(b) Serves at the pleasure of the Governor; and

(c) Must have experience and demonstrated expertise in one or more of the following fields:

(1) Financing of energy projects;

(2) Energy generation projects;

(3) Energy transmission projects;

(4) Professional engineering related to energy efficiency; or

(5) Renewable energy.

3. The Commissioner may, within the limits of legislative appropriations or authorizations:

(a) Employ and fix the salaries of or contract for the services of such professional, technical and operational personnel and consultants as the execution of his duties and the operation of the Authority may require;

(b) Employ, or retain on a contract basis, legal counsel who shall:

(1) Be counsel and attorney for the Commissioner and the Authority in all actions, proceedings and hearings; and

(2) Generally aid the Authority in the performance of its duties;

and

(c) Employ such additional personnel as may be required to carry out the duties of the Authority, who must be in the classified service of the State.

4. A person employed by the Commissioner pursuant to this section must be qualified by training and experience to perform the duties of his employment.

5. The Commissioner and the persons employed by the Commissioner shall not have any conflict of interest relating to the performance of their duties.

Sec. 106.9. Section 1.35 of Senate Bill No. 358 of this session is hereby amended to read as follows:

Sec. 1.35. 1. The New Energy Industry Task Force is hereby created.

2. The Task Force consists of the Commissioner and the following eight members who must be appointed by the Commissioner: ~~subject to the review and approval of the appointments by the Legislature, or the Legislative Commission if the Legislature is not in session.~~

(a) A representative of the large-scale solar energy industry in this State;

- (b) A representative of the geothermal energy industry in this State;
(c) A representative of the wind energy industry in this State;
(d) A representative of the distributed generation industry, energy efficiency equipment and installation industry or manufacturers of equipment for renewable energy power plants in this State;
(e) A representative of an electric utility in this State;
(f) A representative of an organization in this State that advocates on behalf of environmental or public lands issues who has expertise in or knowledge of environmental or public lands issues;
(g) A representative of a labor organization in this State; and
(h) A representative of an organization that represents contractors in this State.

Sec. 107. The Legislature hereby finds that each exemption provided by this act from any ad valorem tax on property or excise tax on the sale, storage, use or consumption of tangible personal property sold at retail:

1. Will achieve a bona fide social or economic purpose and that the benefits of the exemption are expected to exceed any adverse effect of the exemption on the provision of services to the public by the State or a local government that would otherwise receive revenue from the tax from which the exemption would be granted; and

2. Will not impair adversely the ability of the State or a local government to pay, when due, all interest and principal on any outstanding bonds or any other obligations for which revenue from the tax from which the exemption would be granted was pledged.

Sec. 107.5. 1. The Nevada Energy Commissioner appointed pursuant to section 1.21 of Senate Bill No. 358 of this session shall propose a budget for his office and the Renewable Energy and Energy Efficiency Authority created by section 1.19 of Senate Bill No. 358 of this session for the 2009-2011 biennium to the Interim Finance Committee. The Committee:

--- (a) Shall make any changes it deems appropriate;

--- (b) Shall approve the budget; and

--- (c) May require the Public Utilities Commission of Nevada to transfer not more than \$500,000 from its reserve account in the Public Utilities Commission Regulatory Fund created by NRS 703.147, to an account in the State General Fund for use by the Commissioner in a manner authorized in the budget approved pursuant to this subsection.

2. Not later than 10 days after the Interim Finance Committee approves the budget pursuant to subsection 1, the Public Utilities Commission of Nevada shall make any transfer required pursuant to paragraph (c) of subsection 1.

3. In accordance with, and out of any money received pursuant to, the American Recovery and Reinvestment Act of 2009, Public Law 111-5, the Interim Finance Committee may determine an amount of money up to 3 percent of the money received to be used by the Nevada Energy Commissioner and the Renewable Energy and Energy Efficiency Authority in the manner authorized in the budget approved pursuant to subsection 1.

4. The Interim Finance Committee may allocate money in the reserve account in the Public Utilities Commission Regulatory Fund created by NRS 703.147 in addition to the amount authorized by paragraph (c) of subsection 1 if the Interim Finance Committee determines that additional money is necessary to fund the budget of the Nevada Energy Commissioner or the Renewable Energy and Energy Efficiency Authority during the 2009-2011 biennium. Any money so allocated is hereby authorized for expenditure by the Nevada Energy Commissioner.

1 **Sec. 108.** Notwithstanding the provisions of ~~{section}~~ sections 28 and 106.5
2 of this act, a person is not entitled to any partial abatement of taxes pursuant to ~~that~~
3 ~~section~~ those sections after June 30, 2049.

4 **Sec. 109.** (Deleted by amendment.)

5 **Sec. 109.5.** Sections 11.7 and 20.8 of Senate Bill No. 358 of this session
6 are hereby repealed.

7 **Sec. 110.** 1. This section and sections 106.7, 106.9, 107.5 and 109.5 of this
8 act become effective upon passage and approval.

9 2. Sections 1 to 1.8, inclusive, 27.5, 28, 28.5, 107, 108 and 109 of this act
10 become effective on July 1, 2009.

11 ~~{2}~~ 3. Sections 1.85, 1.9 and 1.95 of this act become effective on July 1,
12 2009, if and only if no other bill passed during the 2009 Legislative Session
13 becomes effective that provides for the appointment, powers and duties of the
14 Nevada Energy Commissioner.

15 ~~{2}~~ 4. Section 106. of this act becomes effective on July 1, 2011.

16 5. Sections 28, ~~and~~ 28.5 and 106.5 of this act expire by limitation on June
17 30, 2049.

TEXT OF REPEALED SECTIONS

Section 11.7 of Senate Bill No. 358 of this session:

Sec. 11.7. NRS 704.033 is hereby amended to read as follows:

704.033 1. Except as otherwise provided in subsection 6, the Commission shall levy and collect an annual assessment from all public utilities, providers of discretionary natural gas service and alternative sellers subject to the jurisdiction of the Commission.

2. Except as otherwise provided in subsections 3 and 4, the annual assessment must be:

(a) For the use of the Commission, not more than ~~{3.50}~~ 2.50 mills;
~~{and}~~

(b) For the use of the Consumer's Advocate, not more than 0.75 mills
~~{;}~~

(c) *For the use of the Renewable Energy and Energy Efficiency Authority, not more 0.925 mills; and*

(d) *For the use of the Office of Energy, not more than 0.075 mills,*

↪ on each dollar of gross operating revenue derived from the intrastate operations of such utilities, providers of discretionary natural gas service and alternative sellers in the State of Nevada. The total annual assessment must be not more than 4.25 mills.

3. The levy ~~{for}~~:

(a) *For* the use of the Consumer's Advocate must not be assessed against railroads ~~{;}~~

(b) *For the use of the Renewable Energy and Energy Efficiency Authority must be assessed only against utilities that provide electricity or natural gas in this State; and*

(c) *For the use of the Office of Energy must be assessed only against utilities that provide electricity or natural gas in this State.*

4. The minimum assessment in any 1 year must be \$100.

5. The gross operating revenue of the utilities must be determined for the preceding calendar year. In the case of:

(a) Telecommunication providers, except as provided in paragraph (c), the revenue shall be deemed to be all intrastate revenues.

(b) Railroads, the revenue shall be deemed to be the revenue received only from freight and passenger intrastate movements.

(c) All public utilities, providers of discretionary natural gas service and alternative sellers, the revenue does not include the proceeds of any commodity, energy or service furnished to another public utility, provider of discretionary natural gas service or alternative seller for resale.

6. Providers of commercial mobile radio service are not subject to the annual assessment and, in lieu thereof, shall pay to the Commission an annual licensing fee of \$200.

7. The amount of the annual assessment which the Commission must levy and collect for the use of the Renewable Energy and Energy Efficiency Authority pursuant to paragraph (c) of subsection 2 and the Office of Energy pursuant to paragraph (d) of subsection 2 must be determined by:

(a) The Legislature if the Legislature is in session; or

(b) The Interim Finance Committee if the Legislature is not in session.

Section 20.8 of Senate Bill No. 358 of this session:

Sec. 20.8. For the period beginning July 1, 2009, and ending June 30, 2010, the Public Utilities Commission of Nevada shall levy and collect from utilities that provide electricity or natural gas in this State the annual assessment described in NRS 704.033, as amended by section 11.7 of this act, that must be:

1. For the use of the Renewable Energy and Energy Efficiency Authority, 0.21 mills; and

2. For the use of the Office of Energy, 0.07 mills,

➡ unless the Legislature or the Interim Finance Committee establishes a different amount on or before June 15, 2009.