

SENATE BILL NO. 4—SENATOR SCHNEIDER

PREFILED DECEMBER 13, 2010

Referred to Committee on Commerce, Labor and Energy

SUMMARY—Revises provisions relating to renewable energy.
(BDR 58-331)

FISCAL NOTE: Effect on Local Government: No.
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; revising certain provisions governing the administration of the Fund for Renewable Energy, Energy Efficiency and Energy Conservation Loans; authorizing the Director of the Office of Energy to make loans from the Fund to qualified applicants for the construction of an energy efficiency project or an energy conservation project; authorizing a board of county commissioners or the governing body of a municipality to finance the acquisition, improvement, equipping, operation and maintenance of an energy efficiency improvement project, a public safety project or a renewable energy project through the issuance of bonds; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law establishes the Fund for Renewable Energy, Energy Efficiency and Energy Conservation Loans and authorizes the Director of the Office of Energy to make loans from the Fund for the construction of certain renewable energy projects. (NRS 701.545-701.595) **Section 8** of this bill expands the scope of financial assistance available from the Fund to include loans to qualified applicants for the construction of energy conservation projects and energy efficiency projects, in addition to loans that are currently available to owners or operators of renewable energy systems for the construction of renewable energy projects.

Existing law authorizes the boards of county commissioners and the governing bodies of municipalities to finance the acquisition, improvement, equipping, operation and maintenance of certain improvement projects through the issuance of bonds. (NRS 244A.059, 268.732, 271A.120) **Sections 14, 21 and 24** of this bill expand the authority of the boards of county commissioners and the governing bodies of municipalities to issue bonds to finance the acquisition, improvement,



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15 equipping, operation and maintenance of energy efficiency improvement projects,
16 public safety projects and renewable energy projects.

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

1 **Section 1.** Chapter 701 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2, 3 and 4 of this act.

3 **Sec. 2.** ***"Energy conservation project" means a project***
4 ***designed, intended or used to improve energy conservation or to***
5 ***reduce the wasteful, inefficient, unnecessary or uneconomical use***
6 ***of energy.***

7 **Sec. 3.** ***"Energy efficiency project" means a project designed,***
8 ***intended or used to improve energy efficiency or to reduce the***
9 ***consumption of energy that is necessary to provide a certain***
10 ***product, function or service.***

11 **Sec. 4.** ***"Qualified applicant" means:***

12 1. ***A person or governmental entity engaged in the***
13 ***construction or operation of an energy conservation project;***

14 2. ***A person or governmental entity engaged in the***
15 ***construction or operation of an energy efficiency project; or***

16 3. ***The owner or operator of a renewable energy system.***

17 **Sec. 5.** NRS 701.545 is hereby amended to read as follows:

18 701.545 As used in NRS 701.545 to 701.595, inclusive, ***and***
19 ***sections 2, 3 and 4 of this act,*** the words and terms defined in NRS
20 701.550 to 701.570, inclusive, ***and sections 2, 3 and 4 of this act***
21 have the meanings ascribed to them in those sections.

22 **Sec. 6.** NRS 701.580 is hereby amended to read as follows:

23 701.580 1. The interest and income earned on money in the
24 Fund and the Account for Set-Aside Programs must be credited to
25 the Fund and the Account for Set-Aside Programs, respectively.

26 2. All payments of principal and interest on all loans made to a
27 ~~renewable energy system~~ ***qualified applicant*** and all proceeds
28 from the sale, refunding or prepayment of obligations of a
29 ~~renewable energy system~~ ***qualified applicant*** acquired or loans
30 made in carrying out the purposes of the Fund must be deposited in
31 the State Treasury for credit to the Fund.

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

38 4. Only federal money deposited in a separate subaccount of
39 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.}~~ **a qualified applicant who is not a governmental entity.**

Sec. 7. NRS 701.585 is hereby amended to read as follows:

701.585 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}~~ **a qualified applicant who receives** money or other assistance from the Fund or the Account for Set-Aside Programs ~~{comply}~~ **complies** 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 commit any money in the Fund for expenditure for the purposes set forth in NRS 701.590 without obtaining the prior approval of the Legislature or the Interim Finance Committee if the Legislature is not in session.

Sec. 8. NRS 701.590 is hereby amended to read as follows:

701.590 1. Except as otherwise provided in NRS 701.580, 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}~~ **a qualified applicant** for ~~{the}~~ :

(a) The construction of an energy conservation project;

(b) The construction of an energy efficiency project; or

(c) The construction of a renewable energy ~~{projects.}~~ project.



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~~ *qualified applicant who* requests a loan or other financial assistance must demonstrate that ~~the~~ *the qualified applicant* 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 ~~the~~ *the qualified applicant* 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 *the owner or operator of* an existing renewable energy system unless ~~the~~ *the owner or operator* has the technical, managerial and financial capability to ensure compliance with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto. ~~the~~ *The owner or operator of a* new renewable energy system, to receive such funding, must demonstrate that ~~the~~ *the owner or operator* has the technical, managerial and financial capability to ensure compliance with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto.

Sec. 9. NRS 701.595 is hereby amended to read as follows:

701.595 The Director may adopt such regulations as are necessary to carry out the provisions of NRS 701.545 to 701.595, inclusive ~~and~~ *, and sections 2, 3 and 4 of this act.*

Sec. 10. Chapter 244A of NRS is hereby amended by adding thereto the provisions set forth as sections 11 and 12 of this act.

Sec. 11. *“Energy efficiency improvement project” has the meaning ascribed to it in NRS 271.099.*

Sec. 12. *“Renewable energy project” has the meaning ascribed to it in NRS 271.199.*

Sec. 13. NRS 244A.013 is hereby amended to read as follows:

244A.013 Except where the context otherwise requires, the definitions in NRS 244A.015 to 244A.056, inclusive, *and sections 11 and 12 of this act* govern the construction hereof.

Sec. 14. NRS 244A.057 is hereby amended to read as follows:

244A.057 Any board, upon behalf of the county and in its name, may acquire, improve, equip, operate and maintain, within the county:

1. A building project;
2. A drainage and flood control project;
3. *An energy efficiency improvement project;*



- 1 4. A flood management project;
- 2 ~~4.~~ 5. A lending project if the county has adopted an
- 3 ordinance pursuant to subsection 3 of NRS 244A.064;
- 4 ~~5.~~ 6. An off-street parking project;
- 5 ~~6.~~ 7. An overpass project;
- 6 ~~7.~~ 8. A park project;
- 7 ~~8.~~ 9. *A public safety project;*
- 8 10. *A renewable energy project;*
- 9 11. A sewerage project;
- 10 ~~9.~~ 12. A street project;
- 11 ~~10.~~ 13. An underpass project; and
- 12 ~~11.~~ 14. A water project.

13 Sec. 15. NRS 244A.065 is hereby amended to read as follows:

14 244A.065 1. No other act or law with regard to the

15 authorization or issuance of bonds that requires an approval, or in

16 any way impedes or restricts the carrying out of the acts herein

17 authorized to be done, shall be construed as applying to any

18 proceedings taken hereunder or acts done pursuant hereto, except as

19 herein otherwise provided.

20 2. The powers conferred by NRS 244A.011 to 244A.065,

21 inclusive, *and sections 11 and 12 of this act* are in addition and

22 supplemental to, and not in substitution for, and the limitations

23 imposed by NRS 244A.011 to 244A.065, inclusive, *and sections 11*

24 *and 12 of this act* do not affect the powers conferred by, any other

25 law.

26 3. No part of NRS 244A.011 to 244A.065, inclusive, *and*

27 *sections 11 and 12 of this act* repeals or affects any other law or

28 part thereof, it being intended that NRS 244A.011 to 244A.065,

29 inclusive, *and sections 11 and 12 of this act* must provide a

30 separate method of accomplishing its objectives, and not an

31 exclusive one, and NRS 244A.011 to 244A.065, inclusive, *and*

32 *sections 11 and 12 of this act* must not be construed as repealing,

33 amending or changing any such other law.

34 Sec. 16. Chapter 268 of NRS is hereby amended by adding

35 thereto the provisions set forth as sections 17 and 18 of this act.

36 Sec. 17. *“Energy efficiency improvement project” has the*

37 *meaning ascribed to it in NRS 271.099.*

38 Sec. 18. *“Renewable energy project” has the meaning*

39 *ascribed to it in NRS 271.199.*

40 Sec. 19. NRS 268.672 is hereby amended to read as follows:

41 268.672 NRS 268.672 to 268.740, inclusive, *and sections 17*

42 *and 18 of this act* may be cited as the City Bond Law.

43 Sec. 20. NRS 268.674 is hereby amended to read as follows:

44 268.674 Except as otherwise provided in NRS 268.672 to

45 268.740, inclusive, *and sections 17 and 18 of this act* the terms



used or referred to herein are as defined in the Local Government Securities Law, but the definitions in NRS 268.676 to 268.728, inclusive, *and sections 17 and 18 of this act*, except where the context otherwise requires, govern the construction hereof.

Sec. 21. NRS 268.730 is hereby amended to read as follows:

268.730 Except as otherwise provided in NRS 268.086 and 268.088, any governing body of a municipality, upon its behalf and in its name, may at any time or from time to time acquire, improve, equip, operate and maintain, within or without or both within and without the municipality:

1. A building project;
2. A cemetery project;
3. A communications project;
4. A drainage project or flood control project;
5. An electric project;
6. *An energy efficiency improvement project;*
7. A fire protection project;
- ~~7.8.~~ 8. A flood management project;
- ~~8.9.~~ 9. An off-street parking project;
- ~~9.10.~~ 10. An overpass project;
- ~~10.11.~~ 11. A park project;
12. *A public safety project;*
- ~~11.13.~~ 13. A recreational project;
- ~~12.14.~~ 14. A refuse project;
- ~~13.15.~~ 15. *A renewable energy project;*
16. A sewerage project;
- ~~14.17.~~ 17. A sidewalk project;
- ~~15.18.~~ 18. A street project;
- ~~16.19.~~ 19. A transportation project;
- ~~17.20.~~ 20. An underpass project; and
- ~~18.21.~~ 21. A water project.

Sec. 22. NRS 268.740 is hereby amended to read as follows:

268.740 1. No other act or law with regard to the authorization or issuance of bonds that requires an approval, or in any way impedes or restricts the carrying out of the acts herein authorized to be done, shall be construed as applying to any proceedings taken hereunder or acts done pursuant hereto, except as herein otherwise provided.

2. The powers conferred by NRS 268.672 to 268.740, inclusive, *and sections 17 and 18 of this act* are in addition and supplemental to, and not in substitution for, and the limitations imposed by NRS 268.672 to 268.740, inclusive, *and sections 17 and 18 of this act* do not affect the powers conferred by, any other law.



3. No part of NRS 268.672 to 268.740, inclusive, *and sections 17 and 18 of this act* repeals or affects any other law or part thereof, it being intended that NRS 268.672 to 268.740, inclusive, *and sections 17 and 18 of this act* must provide a separate method of accomplishing its objectives, and not an exclusive one, and NRS 268.672 to 268.740, inclusive, *and sections 17 and 18 of this act* must not be construed as repealing, amending or changing any such other law.

Sec. 23. NRS 271A.050 is hereby amended to read as follows:
271A.050 "Project" means:

1. With respect to a county whose population is 400,000 or more:

(a) An art project, as defined in NRS 271.037;

(b) A tourism and entertainment project, as defined in NRS 271.234; or

(c) A sports stadium which can be used for the home games of a Major League Baseball or National Football League team and for other purposes, including structures, buildings and other improvements and equipment therefor, parking facilities, and all other appurtenances necessary, useful or desirable for a Major League Baseball or National Football League stadium, including, without limitation, all types of property therefor and immediately adjacent facilities for retail sales, dining and entertainment.

2. With respect to a city in a county whose population is 400,000 or more:

(a) A project described in paragraph (a), (b) or (c) of subsection 1; or

(b) A recreational project, as defined in NRS 268.710.

3. With respect to a municipality other than a municipality described in subsection 1 or 2, any project that the municipality is authorized to acquire, improve, equip, operate and maintain pursuant to subsections 1 ~~1, 2, 3 and 5 to 10,~~ *to 4*, inclusive, *and 6 to 14, inclusive*, of NRS 244A.057 or NRS 268.730 or 271.265, as applicable.

4. Any real or personal property suitable for retail, tourism or entertainment purposes.

5. Any real or personal property necessary, useful or desirable in connection with any of the projects set forth in this section.

6. Any combination of the projects set forth in this section.

Sec. 24. Section 6.010 of the Charter of the City of Henderson, being chapter 266, Statutes of Nevada 1971, as last amended by chapter 416, Statutes of Nevada 2001, at page 2099, is hereby amended to read as follows:

Sec. 6.010 Local improvement law. Except as otherwise provided in subsection 2 of section 2.280 and



section 2.285, the City Council, on behalf of the City and in its name, without any election, may from time to time acquire, improve, equip, operate and maintain, convert to or authorize:

1. Curb and gutter projects;
2. Drainage projects;
3. *Energy efficiency improvement projects;*
4. Off-street parking projects;
- ~~{4.}~~ 5. Overpass projects;
- ~~{5.}~~ 6. Park projects;
- ~~{6.}~~ 7. *Public safety projects;*
8. *Renewable energy projects;*
9. Sanitary sewer projects;
- ~~{7.}~~ 10. Security walls;
- ~~{8.}~~ 11. Sidewalk projects;
- ~~{9.}~~ 12. Storm sewer projects;
- ~~{10.}~~ 13. Street projects;
- ~~{11.}~~ 14. Telephone projects;
- ~~{12.}~~ 15. Transportation projects;
- ~~{13.}~~ 16. Underground and aboveground electric and communication facilities;
- ~~{14.}~~ 17. Underpass projects;
- ~~{15.}~~ 18. Water projects;
- ~~{16.}~~ 19. Upon petition by a person or business authorized to provide the service, such other utility projects as are deemed necessary by the Council; and
- ~~{17.}~~ 20. Any combination thereof.

Sec. 25. This act becomes effective on July 1, 2011.

