

Senate Bill No. 536–Committee on Finance

CHAPTER.....

AN ACT relating to energy; expanding the authorized uses of money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans, which may be used only to make loans at a rate of not more than 3 percent to qualified applicants for certain construction and manufacturing projects related to renewable energy, energy efficiency and energy conservation. (NRS 701.545-701.595) **Section 4** of this bill authorizes the money in the Account to be used for any other purpose for which the United States Department of Energy has approved the use of money received pursuant to the American Recovery and Reinvestment Act of 2009, Public Law 111-5, and deposited in the Account.

Sections 1-4 of this bill change the name of the Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans to the Account for Renewable Energy, Energy Efficiency and Energy Conservation.

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

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

Section 1. NRS 701.575 is hereby amended to read as follows:

701.575 1. The Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ is hereby created in the State General Fund. The Director shall administer the Account.

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 Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ 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 Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ 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 Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ 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. 2. NRS 701.580 is hereby amended to read as follows:

701.580 1. The interest and income earned on money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ and the Account for Set-Aside Programs must be credited to the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ and the Account for Set-Aside Programs, respectively.

2. All payments of principal and interest on all loans made to a qualified applicant and all proceeds from the sale, refunding or prepayment of obligations of a qualified applicant acquired or loans made in carrying out the purposes of the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ must be deposited in the State Treasury for credit to the Account for Renewable Energy, Energy Efficiency and Energy Conservation . ~~{Loans.}~~

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 Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans.}~~ 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 Account for Renewable Energy, Energy Efficiency and Energy Conservation , ~~{Loans.}~~ including repayments of principal and interest on loans made solely from federal money, and interest and income earned on federal money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation , ~~{Loans.}~~ may be used to benefit a qualified applicant who is not a governmental entity.

Sec. 3. NRS 701.585 is hereby amended to read as follows:

701.585 1. The Director shall:

(a) Use the money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ and the Account for Set-Aside Programs for the purposes set forth in the American Recovery and Reinvestment Act.

(b) Determine whether a qualified applicant who receives money or other assistance from the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ or the Account for Set-Aside Programs 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 Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ 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 Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ 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 Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ 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.

(g) Enter into agreements or cooperate with third parties to provide for enhanced leveraging of money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation , ~~{Loans,}~~ additional financing mechanisms or any other program or combination of programs for the purpose of expanding the scope of financial assistance available from the Account for Renewable Energy, Energy Efficiency and Energy Conservation . ~~{Loans.}~~

3. The Director shall not commit any money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~{Loans}~~ 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. 4. NRS 701.590 is hereby amended to read as follows:

701.590 1. Except as otherwise provided in subsection 6 and NRS 701.580, money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation , ~~{Loans,}~~ including repayments of principal and interest on loans, and interest and income earned on money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation , ~~{Loans,}~~ may be used only ~~{to}~~ :



(a) *To* make loans at a rate of not more than 3 percent to a qualified applicant for:

- ~~[(a)]~~ (1) The construction of an energy conservation project;
- ~~[(b)]~~ (2) The construction of an energy efficiency project;
- ~~[(c)]~~ (3) The construction or expansion of a renewable energy system; or
- ~~[(d)]~~ (4) The manufacturing of components of a renewable energy system.

(b) For any other purpose for which the United States Department of Energy has approved the use of money received pursuant to the American Recovery and Reinvestment Act and deposited in the Account for Renewable Energy, Energy Efficiency and Energy Conservation.

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 Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~Loans~~ pursuant to the American Recovery and Reinvestment Act.

3. A qualified applicant who requests a loan or other financial assistance must demonstrate that 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 qualified applicant has the capability to comply with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto.

4. Money from the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~Loans~~ may not be given to a qualified applicant for the expansion of an existing renewable energy system unless the qualified applicant has the technical, managerial and financial capability to ensure compliance with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto. To receive such funding for the construction of a new renewable energy system, a qualified applicant must demonstrate that the qualified applicant has the technical, managerial and financial capability to ensure compliance with the American Recovery and Reinvestment Act and regulations adopted pursuant thereto.

5. The Director shall, before approving an applicant for financial assistance from the Account for Renewable Energy, Energy Efficiency and Energy Conservation , ~~Loans,~~ consider whether the applicant has received or is eligible to receive from any



other governmental entity any money or other financial incentive, including, without limitation, any grant, loan, tax credit or abatement of any tax for the purpose of financing in whole or in part the energy efficiency or energy conservation project of the applicant.

6. The Director may use the interest earned on money in the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~[Loans]~~ and the interest earned on loans made from the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~[Loans]~~ to defray, in whole or in part, the costs and expenses of administering the Account for Renewable Energy, Energy Efficiency and Energy Conservation ~~[Loans]~~ and to carry out the purposes of NRS 701.545 to 701.595, inclusive.

7. ~~[The]~~ *In selecting qualified applicants to receive funding or assistance from the Account for Renewable Energy, Energy Efficiency and Energy Conservation, the* Director shall give preference to qualified applicants seeking funding or assistance ~~[from the Account for Renewable Energy, Energy Efficiency and Energy Conservation Loans]~~ for larger energy conservation projects, energy efficiency projects or renewable energy systems. The Director shall, by regulation, define "larger energy conservation projects, energy efficiency projects or renewable energy systems" for purposes of this section.

Sec. 5. This act becomes effective on July 1, 2019.

