

SENATE BILL NO. 395—COMMITTEE ON ENERGY,
INFRASTRUCTURE AND TRANSPORTATION

(ON BEHALF OF THE GOVERNOR)

MARCH 23, 2009

Referred to Committee on Energy, Infrastructure and Transportation

SUMMARY—Makes various changes regarding renewable energy and energy efficiency and alters the composition of the Commission on Economic Development. (BDR 58-1219)

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 state financial administration; making various changes regarding renewable energy and energy efficiency; altering the composition of the Commission on Economic Development; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

- 1 **Sections 1 and 2** of this bill: (1) expand the types of facilities relating to
- 2 renewable energy for which a tax abatement may be granted; (2) broaden the
- 3 definition of “biomass” to include landfill gas; (3) provide that certain facilities
- 4 must have a generating capacity of 1 megawatt instead of 10 kilowatts; and (4) add
- 5 to the definition of “renewable energy” hydrogen derived from renewables.
- 6 **Sections 1, 2, 13 and 17** of this bill impose a new requirement to qualify for a
- 7 tax abatement by providing that a facility for the generation of electricity from
- 8 renewable energy must either bring into the State a manufacturer of components for
- 9 the generation of renewable energy or procure a certain percentage of the
- 10 components that it uses from a manufacturer which operates in this State.
- 11 **Section 3** of this bill incrementally extends and increases the portfolio
- 12 standards for providers of electric service so that, by 2025, at least 25 percent of the
- 13 electricity sold to retail customers by those providers must be derived from
- 14 portfolio energy systems or efficiency measures.
- 15 **Section 4** of this bill alters the definition of “utility facility,” as that term is
- 16 used in the Utility Environmental Protection Act which provides for the issuance of
- 17 permits for the construction of utility facilities, to require a nameplate capacity of



18 not more than 70 megawatts rather than a generating capacity of not more than 35
19 megawatts.

20 **Section 5** of this bill exempts certain Nevada geothermal facilities from certain
21 findings that are a condition precedent to permitting under the Utility
22 Environmental Protection Act.

23 **Sections 6 and 24** of this bill alter the composition of the Commission on
24 Economic Development to require that at least two of the appointed members be
25 from counties whose population is less than 100,000. (NRS 231.040)

26 **Section 8** of this bill requires the Chief of the Purchasing Division of the
27 Department of Administration to adopt regulations establishing standards favoring
28 the procurement of appliances, equipment, lighting and other devices that bear the
29 "Energy Star" label unless to do so would not be cost-effective.

30 **Section 10** of this bill requires the State Public Works Board to adopt standards
31 and performance guidelines concerning the efficient use of water and energy.

32 **Section 13** of this bill eliminates abatements from the local school support tax
33 but leaves abatements from other local sales and use taxes.

34 **Section 15** of this bill requires, with respect to tax abatements relating to
35 renewable energy, that the Commission on Economic Development forward
36 certificates of eligibility to the Office of Energy.

37 **Section 16** of this bill states that businesses which receive a partial abatement
38 pursuant to NRS 360.750 must annually file with the Department of Taxation a
39 sworn certification of compliance with the terms of the abatement.

40 **Section 18** of this bill requires new vehicle dealers in Nevada, beginning with
41 the 2012 model year and thereafter, to ensure that each new vehicle offered for sale
42 is accompanied by a disclosure of the vehicle's estimated carbon dioxide emissions.

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

1 **Section 1.** NRS 701A.220 is hereby amended to read as
2 follows:

3 701A.220 1. If a partial abatement from the taxes imposed
4 pursuant to chapter 361 of NRS is approved by the Commission on
5 Economic Development pursuant to NRS 360.750 for a facility for
6 the generation of electricity from renewable energy ~~or~~, *a facility
7 for the transmission of electricity produced from renewable
8 energy, a facility for the manufacturing of renewable energy
9 devices, a facility for the production of an energy storage device ~~or~~
10 or a facility for the research and development of renewable
11 energy:*

- 12 (a) The partial abatement must be:
13 (1) For a duration of 10 years;
14 (2) Equal to 50 percent of the taxes on real and personal
15 property payable by the facility each year; and
16 (3) Administered and carried out in the manner set forth in
17 NRS 360.750.

18 (b) *If the partial abatement pertains to a facility for the
19 generation of electricity from renewable energy, the person
20 applying for the abatement must satisfy the additional*



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1 *requirements set forth in paragraph (c) of subsection 2 of*
2 *NRS 361.0687.*

3 (c) The Executive Director of the Commission on Economic
4 Development shall:

5 (1) Notify *the Department of Taxation and* the county
6 assessor of the county in which the facility is located of the approval
7 of the partial abatement; and

8 (2) Advise *the Department of Taxation and* the county
9 assessor of the county in which the facility is located as to the dates
10 on which the partial abatement will begin and end.

11 2. *In addition to any partial abatement described in*
12 *subsection 1, the Commission on Economic Development may*
13 *approve a partial abatement from the taxes imposed pursuant to*
14 *chapter 361 of NRS on lines and collector systems that transmit*
15 *electricity from a facility for the generation of electricity from*
16 *renewable energy to larger transmission lines which transmit the*
17 *electricity to market. The abatement described in this subsection*
18 *must not exceed 25 percent.*

19 3. As used in this section:

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

22 (1) Agricultural crops and agricultural wastes and residues;

23 (2) Wood and wood wastes and residues;

24 (3) *Landfill gas;*

25 (4) Animal wastes;

26 ~~[(4)]~~ (5) Municipal wastes; and

27 ~~[(5)]~~ (6) Aquatic plants.

28 (b) "Energy storage device" means a device for use and storage
29 of electrical energy that alleviates the consumption of fossil fuel and
30 does not produce fossil fuel emissions.

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

33 (1) Uses renewable energy as its primary source of energy;
34 and

35 (2) Has a generating capacity of at least ~~[(10 kilowatts)]~~ *1*
36 *megawatt.*

37 ➤ The term includes all the machinery and equipment that is used in
38 the facility to collect and store the renewable energy and to convert
39 the renewable energy into electricity. The term does not include a
40 facility that is located on residential property.

41 (d) *"Landfill gas" means gas generated from the*
42 *decomposition of municipal solid waste.*

43 (e) "Renewable energy" means ~~[(1)]~~ *a source of energy that*
44 *occurs naturally or is regenerated naturally, including, without*
45 *limitation:*



- 1 (1) Biomass;
- 2 (2) *Geothermal energy*;
- 3 (3) *Hydrogen derived from renewables*;
- 4 (4) Solar energy; ~~or~~
- 5 ~~(3) Wind.~~
- 6 (5) *Waterpower*; or
- 7 (6) *Wind*.

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

10 (f) *“Renewable energy device” means a system, mechanism or*
11 *series of mechanisms that produce renewable energy.*

12 **Sec. 2.** NRS 701A.230 is hereby amended to read as follows:

13 701A.230 **1.** If an application for an abatement from taxes
14 pursuant to ~~NRS 374.357~~ *section 13 of this act* is approved
15 pursuant to NRS 360.750 for a facility for the generation of
16 electricity from renewable energy ~~or~~ , *a facility for the*
17 *transmission of electricity produced from renewable energy, a*
18 *facility for the manufacturing of renewable energy devices, a*
19 *facility for the production of an energy storage device* ~~or~~ *or a*
20 *facility for the research and development of renewable energy:*

21 ~~1.~~ (a) The taxpayer is eligible for the abatement for 2 years.

22 ~~2.~~ (b) The abatement must be administered and carried out in
23 the manner set forth in NRS 360.750.

24 (c) *If the application pertains to a facility for the generation of*
25 *electricity from renewable energy, the person applying for the*
26 *abatement must satisfy the additional requirements set forth in*
27 *subsection 3 of section 13 of this act.*

28 **2.** *In addition to any abatement described in subsection 1, the*
29 *Commission on Economic Development may approve an*
30 *abatement from the taxes imposed pursuant to chapter 361 of NRS*
31 *on lines and collector systems that transmit electricity from a*
32 *facility for the generation of electricity from renewable energy to*
33 *larger transmission lines which transmit the electricity to market.*

34 **3.** For the purposes of this section and the abatement, unless
35 the context otherwise requires:

36 (a) “Biomass” means any organic matter that is available on a
37 renewable basis, including, without limitation:

- 38 (1) Agricultural wastes and agricultural wastes and residues;
- 39 (2) Wood and wood wastes and residues;
- 40 (3) *Landfill gas*;
- 41 (4) Animal wastes;
- 42 ~~(4)~~ (5) Municipal wastes; and
- 43 ~~(5)~~ (6) Aquatic plants.

44 (b) “Eligible machinery or equipment” means:



1 (1) If the business that qualifies for the abatement is a facility
2 for the production of an energy storage device, machinery or
3 equipment which is leased or purchased and for which a deduction
4 is authorized pursuant to 26 U.S.C. § 179. The term does not
5 include:

- 6 (I) Buildings or the structural components of buildings;
- 7 (II) Equipment used by a public utility;
- 8 (III) Equipment used for medical treatment;
- 9 (IV) Machinery or equipment used in mining;
- 10 (V) Machinery or equipment used in gaming; or
- 11 (VI) Aircraft.

12 (2) If the business that qualifies for the abatement is a facility
13 for the generation *and transmission* of electricity from renewable
14 energy, all the machinery and equipment that is used in the facility
15 to ~~collect~~:

16 (I) *Collect* and store the renewable energy ~~and to~~
17 ~~convert~~;

18 (II) *Convert* the renewable energy into electricity ~~;~~ ;
19 *and*

20 (III) *Transmit the electricity.*

21 (3) *Lines and collector systems as described in subsection 2.*

22 (c) “Energy storage device” means a device for use and storage
23 of electrical energy that alleviates the consumption of fossil fuel and
24 does not produce fossil fuel emissions.

25 (d) “Facility for the generation *and transmission* of electricity
26 from renewable energy” means a facility for the generation *and*
27 *transmission* of electricity that:

28 (1) Uses renewable energy as its primary source of energy;
29 and

30 (2) Has a generating capacity of at least ~~{10 kilowatts.}~~ *1*
31 *megawatt.*

32 ➔ The term includes all the machinery and equipment that is used in
33 the facility to collect and store the renewable energy , ~~and~~ to
34 convert the renewable energy into electricity ~~;~~ *and to transmit the*
35 *electricity.* The term does not include a facility that is located on
36 residential property.

37 ~~{“Fuel cell” means a device or contrivance which, through~~
38 ~~the chemical process of combining ions of hydrogen and oxygen,~~
39 ~~produces electricity and water.~~

40 ~~{f}~~ *“Landfill gas” means gas generated from the*
41 *decomposition of municipal solid waste.*

42 (f) “Renewable energy” means a source of energy that occurs
43 naturally or is regenerated naturally, including, without limitation:

- 44 (1) Biomass;
- 45 (2) ~~Fuel cells;~~



- 1 ~~(3)~~ Geothermal energy;
- 2 ~~(4)~~ (3) *Hydrogen derived from renewables*;
- 3 (4) Solar energy;
- 4 (5) Waterpower; and
- 5 (6) Wind.

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

8 (g) *“Renewable energy device” means a system, mechanism or*
9 *series of mechanisms that produce renewable energy.*

10 **Sec. 3.** NRS 704.7821 is hereby amended to read as follows:

11 704.7821 1. For each provider of electric service, the
12 Commission shall establish a portfolio standard. The portfolio
13 standard must require each provider to generate, acquire or save
14 electricity from portfolio energy systems or efficiency measures in
15 an amount that is:

16 (a) For calendar years 2005 and 2006, not less than 6 percent of
17 the total amount of electricity sold by the provider to its retail
18 customers in this State during ~~that~~ *each such* calendar year.

19 (b) For calendar years 2007 and 2008, not less than 9 percent of
20 the total amount of electricity sold by the provider to its retail
21 customers in this State during ~~that~~ *each such* calendar year.

22 (c) For calendar years 2009 and 2010, not less than 12 percent
23 of the total amount of electricity sold by the provider to its retail
24 customers in this State during ~~that~~ *each such* calendar year.

25 (d) For calendar years 2011 and 2012, not less than 15 percent
26 of the total amount of electricity sold by the provider to its retail
27 customers in this State during ~~that~~ *each such* calendar year.

28 (e) For calendar years 2013 and 2014, not less than 18 percent
29 of the total amount of electricity sold by the provider to its retail
30 customers in this State during ~~that~~ *each such* calendar year.

31 (f) For calendar ~~year 2015 and for each calendar year~~
32 ~~thereafter,~~ *years 2015 through 2019*, not less than 20 percent of the
33 total amount of electricity sold by the provider to its retail customers
34 in this State during ~~that~~ *each such* calendar year.

35 (g) *For calendar years 2020 through 2024, not less than 22*
36 *percent of the total amount of electricity sold by the provider to its*
37 *retail customers in this State during each such calendar year.*

38 (h) *For calendar year 2025 and for each calendar year*
39 *thereafter, not less than 25 percent of the total amount of*
40 *electricity sold by the provider to its retail customers in this State*
41 *during each such calendar year.*

42 2. Except as otherwise provided in subsection 3, in addition to
43 the requirements set forth in subsection 1, the portfolio standard for
44 each provider must require that:



1 (a) Of the total amount of electricity that the provider is required
2 to generate, acquire or save from portfolio energy systems or
3 efficiency measures during each calendar year, not less than 5
4 percent of that amount must be generated or acquired from solar
5 renewable energy systems.

6 (b) Of the total amount of electricity that the provider is required
7 to generate, acquire or save from portfolio energy systems or
8 efficiency measures during each calendar year, not more than 25
9 percent of that amount may be based on energy efficiency measures.
10 If the provider intends to use energy efficiency measures to comply
11 with its portfolio standard during any calendar year, of the total
12 amount of electricity saved from energy efficiency measures for
13 which the provider seeks to obtain portfolio energy credits pursuant
14 to this paragraph, at least 50 percent of that amount must be saved
15 from energy efficiency measures installed at service locations of
16 residential customers of the provider, unless a different percentage
17 is approved by the Commission.

18 (c) If the provider acquires or saves electricity from a portfolio
19 energy system or efficiency measure pursuant to a renewable energy
20 contract or energy efficiency contract with another party:

21 (1) The term of the contract must be not less than 10 years,
22 unless the other party agrees to a contract with a shorter term; and

23 (2) The terms and conditions of the contract must be just and
24 reasonable, as determined by the Commission. If the provider is a
25 utility provider and the Commission approves the terms and
26 conditions of the contract between the utility provider and the other
27 party, the contract and its terms and conditions shall be deemed to
28 be a prudent investment and the utility provider may recover all just
29 and reasonable costs associated with the contract.

30 3. The provisions of paragraphs (b) and (c) of subsection 2 do
31 not apply to a provider of new electric resources pursuant to chapter
32 704B of NRS with respect to its use of an energy efficiency measure
33 that is financed by a customer, or which is a geothermal energy
34 system for the provision of heated water to one or more customers
35 and which reduces the consumption of electricity or any fossil fuel,
36 except that, of the total amount of electricity that the provider is
37 required to generate, acquire or save from portfolio energy systems
38 or efficiency measures during each calendar year, not more than 25
39 percent of that amount may be based on energy efficiency measures.

40 4. If, for the benefit of one or more retail customers in this
41 State, the provider, or the customer of a provider of new electric
42 resources pursuant to chapter 704B of NRS, has paid for or directly
43 reimbursed, in whole or in part, the costs of the acquisition or
44 installation of a solar energy system which qualifies as a renewable
45 energy system and which reduces the consumption of electricity, the



1 total reduction in the consumption of electricity during each
2 calendar year that results from the solar energy system shall be
3 deemed to be electricity that the provider generated or acquired
4 from a renewable energy system for the purposes of complying with
5 its portfolio standard.

6 5. The Commission shall adopt regulations that establish a
7 system of portfolio energy credits that may be used by a provider to
8 comply with its portfolio standard.

9 6. Except as otherwise provided in subsection 7, each provider
10 shall comply with its portfolio standard during each calendar year.

11 7. If, for any calendar year, a provider is unable to comply with
12 its portfolio standard through the generation of electricity from its
13 own renewable energy systems or, if applicable, through the use of
14 portfolio energy credits, the provider shall take actions to acquire or
15 save electricity pursuant to one or more renewable energy contracts
16 or energy efficiency contracts. If the Commission determines that,
17 for a calendar year, there is not or will not be a sufficient supply of
18 electricity or a sufficient amount of energy savings made available
19 to the provider pursuant to renewable energy contracts and energy
20 efficiency contracts with just and reasonable terms and conditions,
21 the Commission shall exempt the provider, for that calendar year,
22 from the remaining requirements of its portfolio standard or from
23 any appropriate portion thereof, as determined by the Commission.

24 8. The Commission shall adopt regulations that establish:

25 (a) Standards for the determination of just and reasonable terms
26 and conditions for the renewable energy contracts and energy
27 efficiency contracts that a provider must enter into to comply with
28 its portfolio standard.

29 (b) Methods to classify the financial impact of each long-term
30 renewable energy contract and energy efficiency contract as an
31 additional imputed debt of a utility provider. The regulations must
32 allow the utility provider to propose an amount to be added to the
33 cost of the contract, at the time the contract is approved by the
34 Commission, equal to a compensating component in the capital
35 structure of the utility provider. In evaluating any proposal made by
36 a utility provider pursuant to this paragraph, the Commission shall
37 consider the effect that the proposal will have on the rates paid by
38 the retail customers of the utility provider.

39 9. As used in this section:

40 (a) "Energy efficiency contract" means a contract to attain
41 energy savings from one or more energy efficiency measures
42 owned, operated or controlled by other parties.

43 (b) "Renewable energy contract" means a contract to acquire
44 electricity from one or more renewable energy systems owned,
45 operated or controlled by other parties.



1 (c) "Terms and conditions" includes, without limitation, the
2 price that a provider must pay to acquire electricity pursuant to a
3 renewable energy contract or to attain energy savings pursuant to an
4 energy efficiency contract.

5 **Sec. 4.** NRS 704.860 is hereby amended to read as follows:

6 704.860 "Utility facility" means:

7 1. Electric generating plants and their associated facilities,
8 except:

9 (a) Electric generating plants and their associated facilities that
10 are or will be located entirely within the boundaries of a county
11 whose population is 100,000 or more; or

12 (b) Electric generating plants and their associated facilities
13 which use or will use renewable energy, as defined in NRS
14 704.7811, as their primary source of energy to generate electricity
15 and which have or will have a ~~generating~~ *nameplate* capacity of
16 not more than ~~35~~ *70* megawatts, including, without limitation, a
17 net metering system, as defined in NRS 704.771.

18 ➤ As used in this subsection, "associated facilities" includes,
19 without limitation, any facilities for the storage, transmission or
20 treatment of water, including, without limitation, facilities to supply
21 water or for the treatment or disposal of wastewater, which support
22 or service an electric generating plant.

23 2. Electric transmission lines and transmission substations that:

24 (a) Are designed to operate at 200 kilovolts or more;

25 (b) Are not required by local ordinance to be placed
26 underground; and

27 (c) Are constructed outside any incorporated city.

28 3. Gas transmission lines, storage plants, compressor stations
29 and their associated facilities when constructed outside:

30 (a) Any incorporated city; and

31 (b) Any county whose population is 100,000 or more.

32 4. Water storage, transmission and treatment facilities, other
33 than facilities for the storage, transmission or treatment of water
34 from mining operations.

35 5. Sewer transmission and treatment facilities.

36 **Sec. 5.** NRS 704.890 is hereby amended to read as follows:

37 704.890 1. Except as otherwise provided in subsection 3, the
38 Commission may not grant a permit for the construction, operation
39 and maintenance of a utility facility, either as proposed or as
40 modified by the Commission, to a person unless it finds and
41 determines:

42 (a) The nature of the probable effect on the environment;

43 (b) ~~The~~ *Except with respect to a geothermal facility that is*
44 *built in Nevada pursuant to NRS 704.820 to 704.900, inclusive,*



1 *and emits greenhouse gases, the* extent to which the facility is
2 needed to ensure reliable utility service to customers in this State;

3 (c) That the need for the facility balances any adverse effect on
4 the environment;

5 (d) That the facility represents the minimum adverse effect on
6 the environment, considering the state of available technology and
7 the nature and economics of the various alternatives;

8 (e) That the location of the facility as proposed conforms to
9 applicable state and local laws and regulations issued thereunder and
10 the applicant has obtained, or is in the process of obtaining, all other
11 permits, licenses and approvals required by federal, state and local
12 statutes, regulations and ordinances; and

13 (f) That the facility will serve the public interest.

14 2. If the Commission determines that the location of all or a
15 part of the proposed facility should be modified, it may condition its
16 permit upon such a modification. If the applicant has not obtained
17 all the other permits, licenses and approvals required by federal,
18 state and local statutes, regulations and ordinances as of the date on
19 which the Commission decides to issue a permit, the Commission
20 shall condition its permit upon the applicant obtaining those permits
21 and approvals.

22 3. The requirements set forth in paragraph (f) of subsection 1
23 do not apply to any application for a permit which is filed by a state
24 government or political subdivision thereof.

25 **Sec. 6.** NRS 231.040 is hereby amended to read as follows:

26 231.040 1. The Commission on Economic Development is
27 composed of the Lieutenant Governor, who is its Chairman, and six
28 members who are appointed by the Governor.

29 2. The Governor shall appoint as members of the Commission
30 persons who have proven experience in economic development
31 which was acquired by them while engaged in finance,
32 manufacturing, mining, agriculture, the field of transportation, or in
33 general business other than tourism or gaming.

34 3. The Governor shall appoint ~~fat~~ *to the Commission:*

35 (a) *At least one member who is a resident of* ~~f~~

36 ~~—(a)~~ *Clark County.*

37 (b) *At least one member who is a resident of* Washoe County.

38 (c) ~~[A-county]~~ *At least two members who are residents of*
39 *counties* whose population is ~~[50,000 or less.]~~ *less than 100,000.*

40 **Sec. 7.** NRS 266.267 is hereby amended to read as follows:

41 266.267 1. A city council shall not enter into a lease of real
42 property owned by the city for a term of 3 years or longer or enter
43 into a contract for the sale of real property until after the property
44 has been appraised pursuant to NRS 268.059. Except as otherwise



1 provided in this section, paragraph (a) of subsection 1 of NRS
2 268.050 and subsection 3 of NRS 496.080:

3 (a) The sale or lease of real property must be made in the
4 manner required pursuant to NRS 268.059, 268.061 and 268.062;
5 and

6 (b) A lease or sale must be made at or above the highest
7 appraised value of the real property as determined pursuant to the
8 appraisal conducted pursuant to NRS 268.059.

9 2. The city council may sell or lease real property for less than
10 its appraised value to any person who maintains or intends to
11 maintain a business within the boundaries of the city which is
12 eligible pursuant to ~~[NRS 374.357]~~ *section 13 of this act* for an
13 abatement from ~~[the]~~ *local* sales and use taxes ~~[imposed pursuant to~~
14 ~~chapter 374 of NRS.]~~, *as that term is defined in NRS 360.750.*

15 **Sec. 8.** Chapter 333 of NRS is hereby amended by adding
16 thereto a new section to read as follows:

17 *1. The Chief shall adopt regulations which set forth*
18 *standards to be used by using agencies when purchasing new*
19 *appliances, equipment, lighting and other devices that use*
20 *electricity. Except as otherwise provided in subsection 2, the*
21 *standards must require that such new appliances, equipment,*
22 *lighting and other devices have received the Energy Star label*
23 *pursuant to the program established pursuant to 42 U.S.C. §*
24 *6294a, or its successor.*

25 *2. The standards described in subsection 1 do not apply*
26 *insofar as:*

27 *(a) No items in a given class of appliances, equipment, lighting*
28 *or other devices have been evaluated to determine whether they*
29 *are eligible to receive the Energy Star label; or*

30 *(b) The purchase of new appliances, equipment, lighting or*
31 *other devices that have received the Energy Star label would not*
32 *be cost-effective in an individual instance, comparing the cost of*
33 *the item to the cost of the amount of electricity that will be saved*
34 *over the useful life of the item.*

35 **Sec. 9.** NRS 333.340 is hereby amended to read as follows:

36 333.340 1. Every contract or order for goods must be
37 awarded to the lowest responsible bidder. To determine the lowest
38 responsible bidder, the Chief:

39 (a) Shall consider, if applicable ~~[the]~~ :

40 *(1) The* imposition of the inverse preference described in
41 NRS 333.336.

42 *(2) The required standards adopted pursuant to section 8 of*
43 *this act.*

44 (b) May consider:

45 (1) The location of the using agency to be supplied.



- 1 (2) The qualities of the articles to be supplied.
2 (3) The total cost of ownership of the articles to be supplied.
3 (4) Except as otherwise provided in subparagraph (5), the
4 conformity of the articles to be supplied with the specifications.
5 (5) If the articles are an alternative to the articles listed in the
6 original request for bids, whether the advertisement for bids
7 included a statement that bids for an alternative article will be
8 considered if:
9 (I) The specifications of the alternative article meet or
10 exceed the specifications of the article listed in the original request
11 for bids;
12 (II) The purchase of the alternative article results in a
13 lower price; and
14 (III) The Chief deems the purchase of the alternative
15 article to be in the best interests of the State of Nevada.
16 (6) The purposes for which the articles to be supplied are
17 required.
18 (7) The dates of delivery of the articles to be supplied.
19 2. If a contract or an order is not awarded to the lowest bidder,
20 the Chief shall provide the lowest bidder with a written statement
21 which sets forth the specific reasons that the contract or order was
22 not awarded to him.
23 3. As used in this section, "total cost of ownership" includes,
24 but is not limited to:
25 (a) The history of maintenance or repair of the articles;
26 (b) The cost of routine maintenance and repair of the articles;
27 (c) Any warranties provided in connection with the articles;
28 (d) The cost of replacement parts for the articles; and
29 (e) The value of the articles as used articles when given in trade
30 on a subsequent purchase.
31 **Sec. 10.** Chapter 341 of NRS is hereby amended by adding
32 thereto a new section to read as follows:
33 *1. For the purposes of the design and construction of*
34 *buildings or other projects of this State, the Board shall adopt by*
35 *regulation:*
36 *(a) Standards for the efficient use of water.*
37 *(b) Standards for the efficient use of energy, including,*
38 *without limitation, the use of sources of renewable energy.*
39 *(c) Performance guidelines for new, remodeled and renovated*
40 *buildings.*
41 *(d) Performance guidelines for retrofit projects, including,*
42 *without limitation, guidelines for:*
43 *(1) Energy consumption.*
44 *(2) The use of potable water.*
45 *(3) The use of water for purposes relating to landscaping.*



1 (4) *The disposal of solid waste.*

2 2. *The standards and performance guidelines adopted in*
3 *accordance with subsection 1 must include a mechanism for their*
4 *evaluation and revision to ensure that such standards and*
5 *guidelines:*

6 (a) *Are cost-effective over the life of the applicable project.*

7 (b) *Produce certain threshold levels of cost savings.*

8 3. *The regulations adopted pursuant to this section must*
9 *include provisions for their enforcement.*

10 4. *As used in this section, "renewable energy" has the*
11 *meaning ascribed to it in NRS 701A.220.*

12 **Sec. 11.** NRS 341.119 is hereby amended to read as follows:

13 341.119 1. Upon the request of the head of a state agency, the
14 Board may delegate to that agency any of the authority granted the
15 Board pursuant to NRS 341.141 to 341.148, inclusive **H**, *and*
16 *section 10 of this act.*

17 2. This section does not limit any of the authority of the
18 Legislature when the Legislature is in regular or special session or
19 the Interim Finance Committee when the Legislature is not in
20 regular or special session to consult with the Board concerning a
21 construction project or to approve the advance planning of a project.

22 **Sec. 12.** NRS 341.153 is hereby amended to read as follows:

23 341.153 1. The Legislature hereby finds as facts:

24 (a) That the construction of public buildings is a specialized
25 field requiring for its successful accomplishment a high degree of
26 skill and experience not ordinarily acquired by public officers and
27 employees whose primary duty lies in some other field.

28 (b) That this construction involves the expenditure of large
29 amounts of public money which, whatever their particular
30 constitutional, statutory or governmental source, involve a public
31 trust.

32 (c) That the application by state agencies of conflicting
33 standards of performance results in wasteful delays and increased
34 costs in the performance of public works.

35 2. The Legislature therefore declares it to be the policy of this
36 State that all construction of buildings upon property of the State or
37 held in trust for any division of the State Government be supervised
38 by, and final authority for its completion and acceptance vested in,
39 the Board as provided in NRS 341.141 to 341.148, inclusive **H**,
40 *and section 10 of this act.*

41 **Sec. 13.** Chapter 360 of NRS is hereby amended by adding
42 thereto a new section to read as follows:

43 1. *A person who maintains a business or intends to locate a*
44 *business in this State may, pursuant to NRS 360.750, apply to the*
45 *Commission on Economic Development for an abatement from*



1 *the local sales and use taxes imposed on the gross receipts from*
2 *the sale, and the storage, use or other consumption, of eligible*
3 *machinery or equipment for use by a business which has been*
4 *approved for an abatement pursuant to NRS 360.750.*

5 2. *Except as otherwise provided in NRS 701A.230, if an*
6 *application for an abatement is approved pursuant to*
7 *NRS 360.750:*

8 (a) *The taxpayer is eligible for an abatement from the local*
9 *sales and use taxes for not more than 2 years for machinery or*
10 *equipment which is leased or purchased. In the case of machinery*
11 *or equipment that is leased, the lessee is the taxpayer who is*
12 *eligible for an abatement.*

13 (b) *The abatement must be administered and carried out in the*
14 *manner set forth in NRS 360.750.*

15 3. *In addition to meeting any other applicable requirements,*
16 *if a person is applying for an abatement from the local sales and*
17 *use taxes for a business that operates a facility for the generation*
18 *of electricity from renewable energy:*

19 (a) *The business must bring into the State or cause to be*
20 *brought into the State a manufacturer of components for the*
21 *generation of renewable energy, which manufacturer satisfies the*
22 *requirements of subsection 2 of NRS 360.750; or*

23 (b) *The business must purchase a certain minimum percentage*
24 *of the components it requires for the generation of energy from*
25 *companies that manufacture those components in the State. The*
26 *Commission on Economic Development shall adopt regulations*
27 *setting forth the minimum percentage necessary to satisfy the*
28 *requirements of this paragraph.*

29 4. *For the purposes of this section, except as otherwise*
30 *provided in NRS 701A.230 or unless the context otherwise*
31 *requires:*

32 (a) *“Eligible machinery or equipment” means machinery or*
33 *equipment which is leased or purchased and for which a*
34 *deduction is authorized pursuant to 26 U.S.C. § 179. The term*
35 *does not include:*

36 (1) *Buildings or the structural components of buildings;*

37 (2) *Equipment used by a public utility;*

38 (3) *Equipment used for medical treatment;*

39 (4) *Machinery or equipment used in mining;*

40 (5) *Machinery or equipment used in gaming; or*

41 (6) *Aircraft.*

42 (b) *“Facility for the generation of electricity from renewable*
43 *energy” has the meaning ascribed to it in NRS 701A.220.*

44 (c) *“Local sales and use taxes” has the meaning ascribed to it*
45 *in NRS 360.750.*



1 **Sec. 14.** NRS 360.225 is hereby amended to read as follows:

2 360.225 1. During the course of an investigation undertaken
3 pursuant to NRS 360.130 of a person claiming:

4 (a) A partial abatement of property taxes pursuant to
5 NRS 361.0687;

6 (b) An exemption from taxes pursuant to NRS 363B.120;

7 (c) A deferral of the payment of taxes on the sale of capital
8 goods pursuant to NRS 372.397 or 374.402; or

9 (d) An abatement of taxes on the gross receipts from the sale,
10 storage, use or other consumption of eligible machinery or
11 equipment pursuant to ~~NRS 374.357,~~ *section 13 of this act,*

12 ↳ the Department shall investigate whether the person meets the
13 eligibility requirements for the abatement, partial abatement,
14 exemption or deferral that the person is claiming.

15 2. If the Department finds that the person does not meet the
16 eligibility requirements for the abatement, exemption or deferral
17 which the person is claiming, the Department shall report its
18 findings to the Commission on Economic Development and take
19 any other necessary actions.

20 **Sec. 15.** NRS 360.750 is hereby amended to read as follows:

21 360.750 1. A person who intends to locate or expand a
22 business in this State may apply to the Commission on Economic
23 Development for a partial abatement of one or more of the *local*
24 *sales and use taxes imposed on the new or expanded business or*
25 taxes imposed on the new or expanded business pursuant to chapter
26 361 ~~[, 363B or 374]~~ *or 363B* of NRS.

27 2. The Commission on Economic Development shall approve
28 an application for a partial abatement if the Commission makes the
29 following determinations:

30 (a) The business is consistent with:

31 (1) The State Plan for Industrial Development and
32 Diversification that is developed by the Commission pursuant to
33 NRS 231.067; and

34 (2) Any guidelines adopted pursuant to the State Plan.

35 (b) The applicant has executed an agreement with the
36 Commission which must:

37 (1) Comply with the requirements of NRS 360.755;

38 (2) State that the business will, after the date on which a
39 certificate of eligibility for the abatement is issued pursuant to
40 subsection 5, continue in operation in this State for a period
41 specified by the Commission, which must be at least 5 years, and
42 will continue to meet the eligibility requirements set forth in this
43 subsection; and

44 (3) Bind the successors in interest of the business for the
45 specified period.



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

5 (d) Except as otherwise provided in NRS 361.0687, if the
6 business is a new business in a county whose population is 100,000
7 or more or a city whose population is 60,000 or more, the business
8 meets at least two of the following requirements:

9 (1) The business will have 75 or more full-time employees
10 on the payroll of the business by the fourth quarter that it is in
11 operation.

12 (2) Establishing the business will require the business to
13 make a capital investment of at least \$1,000,000 in this State.

14 (3) The average hourly wage that will be paid by the new
15 business to its employees in this State is at least 100 percent of the
16 average statewide hourly wage as established by the Employment
17 Security Division of the Department of Employment, Training and
18 Rehabilitation on July 1 of each fiscal year and:

19 (I) The business will provide a health insurance plan for
20 all employees that includes an option for health insurance coverage
21 for dependents of the employees; and

22 (II) The cost to the business for the benefits the business
23 provides to its employees in this State will meet the minimum
24 requirements for benefits established by the Commission by
25 regulation pursuant to subsection 9.

26 (e) Except as otherwise provided in NRS 361.0687, if the
27 business is a new business in a county whose population is less than
28 100,000 or a city whose population is less than 60,000, the business
29 meets at least two of the following requirements:

30 (1) The business will have 15 or more full-time employees
31 on the payroll of the business by the fourth quarter that it is in
32 operation.

33 (2) Establishing the business will require the business to
34 make a capital investment of at least \$250,000 in this State.

35 (3) The average hourly wage that will be paid by the new
36 business to its employees in this State is at least 100 percent of the
37 average statewide hourly wage or the average countywide hourly
38 wage, whichever is less, as established by the Employment Security
39 Division of the Department of Employment, Training and
40 Rehabilitation on July 1 of each fiscal year and:

41 (I) The business will provide a health insurance plan for
42 all employees that includes an option for health insurance coverage
43 for dependents of the employees; and

44 (II) The cost to the business for the benefits the business
45 provides to its employees in this State will meet the minimum



1 requirements for benefits established by the Commission by
2 regulation pursuant to subsection 9.

3 (f) If the business is an existing business, the business meets at
4 least two of the following requirements:

5 (1) The business will increase the number of employees on
6 its payroll by 10 percent more than it employed in the immediately
7 preceding fiscal year or by six employees, whichever is greater.

8 (2) The business will expand by making a capital investment
9 in this State in an amount equal to at least 20 percent of the value of
10 the tangible property possessed by the business in the immediately
11 preceding fiscal year. The determination of the value of the tangible
12 property possessed by the business in the immediately preceding
13 fiscal year must be made by the:

14 (I) County assessor of the county in which the business
15 will expand, if the business is locally assessed; or

16 (II) Department, if the business is centrally assessed.

17 (3) The average hourly wage that will be paid by the existing
18 business to its new employees in this State is at least the amount of
19 the average hourly wage required to be paid by businesses pursuant
20 to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of
21 NRS 361.0687, whichever is applicable, and:

22 (I) The business will provide a health insurance plan for
23 all new employees that includes an option for health insurance
24 coverage for dependents of the employees; and

25 (II) The cost to the business for the benefits the business
26 provides to its new employees in this State will meet the minimum
27 requirements for benefits established by the Commission by
28 regulation pursuant to subsection 9.

29 (g) In lieu of meeting the requirements of paragraph (d), (e) or
30 (f), if the business furthers the development and refinement of
31 intellectual property, a patent or a copyright into a commercial
32 product, the business meets at least two of the following
33 requirements:

34 (1) The business will have 10 or more full-time employees
35 on the payroll of the business by the fourth quarter that it is in
36 operation.

37 (2) Establishing the business will require the business to
38 make a capital investment of at least \$500,000 in this State.

39 (3) The average hourly wage that will be paid by the new
40 business to its employees in this State is at least the amount of the
41 average hourly wage required to be paid by businesses pursuant to
42 subparagraph (2) of either paragraph (a) or (b) of subsection 2 of
43 NRS 361.0687, whichever is applicable, and:



1 (I) The business will provide a health insurance plan for
2 all employees that includes an option for health insurance coverage
3 for dependents of the employees; and

4 (II) The cost to the business for the benefits the business
5 provides to its employees in this State will meet with minimum
6 requirements established by the Commission by regulation pursuant
7 to subsection 9.

8 3. Notwithstanding the provisions of subsection 2, the
9 Commission on Economic Development:

10 (a) Shall not consider an application for a partial abatement
11 unless the Commission has requested a letter of acknowledgment of
12 the request for the abatement from any affected county, school
13 district, city or town.

14 (b) May, if the Commission determines that such action is
15 necessary:

16 (1) Approve an application for a partial abatement by a
17 business that does not meet the requirements set forth in paragraph
18 (d), (e), (f) or (g) of subsection 2;

19 (2) Make the requirements set forth in paragraph (d), (e), (f)
20 or (g) of subsection 2 more stringent; or

21 (3) Add additional requirements that a business must meet to
22 qualify for a partial abatement.

23 4. If a person submits an application to the Commission on
24 Economic Development pursuant to subsection 1, the Commission
25 shall provide notice to the governing body of the county, the board
26 of trustees of the school district and the governing body of the city
27 or town, if any, in which the person intends to locate or expand a
28 business. The notice required pursuant to this subsection must set
29 forth the date, time and location of the hearing at which the
30 Commission will consider the application.

31 5. If the Commission on Economic Development approves an
32 application for a partial abatement, the Commission shall
33 immediately forward a certificate of eligibility for the abatement to:

34 (a) The Department;

35 (b) The Nevada Tax Commission; ~~and~~

36 (c) If the partial abatement is from the property tax imposed
37 pursuant to chapter 361 of NRS, the county treasurer ~~and~~; and

38 *(d) If the abatement is related to renewable energy, including,*
39 *without limitation, an abatement described in NRS 701A.220 or*
40 *701A.230, the Office of Energy within the Office of the Governor.*

41 6. An applicant for a partial abatement pursuant to this section
42 or an existing business whose partial abatement is in effect shall,
43 upon the request of the Executive Director of the Commission on
44 Economic Development, furnish the Executive Director with copies



1 of all records necessary to verify that the applicant meets the
2 requirements of subsection 2.

3 7. If a business whose partial abatement has been approved
4 pursuant to this section and is in effect ceases:

5 (a) To meet the requirements set forth in subsection 2; or

6 (b) Operation before the time specified in the agreement
7 described in paragraph (b) of subsection 2,

8 ➔ the business shall repay to the Department or, if the partial
9 abatement was from the property tax imposed pursuant to chapter
10 361 of NRS, to the county treasurer, the amount of the exemption
11 that was allowed pursuant to this section before the failure of the
12 business to comply unless the Nevada Tax Commission determines
13 that the business has substantially complied with the requirements of
14 this section. Except as otherwise provided in NRS 360.232 and
15 360.320, the business shall, in addition to the amount of the
16 exemption required to be paid pursuant to this subsection, pay
17 interest on the amount due at the rate most recently established
18 pursuant to NRS 99.040 for each month, or portion thereof, from the
19 last day of the month following the period for which the payment
20 would have been made had the partial abatement not been approved
21 until the date of payment of the tax.

22 8. A county treasurer:

23 (a) Shall deposit any money that he receives pursuant to
24 subsection 7 in one or more of the funds established by a local
25 government of the county pursuant to NRS 354.6113 or 354.6115;
26 and

27 (b) May use the money deposited pursuant to paragraph (a) only
28 for the purposes authorized by NRS 354.6113 and 354.6115.

29 9. The Commission on Economic Development:

30 (a) Shall adopt regulations relating to:

31 (1) The minimum level of benefits that a business must
32 provide to its employees if the business is going to use benefits paid
33 to employees as a basis to qualify for a partial abatement; and

34 (2) The notice that must be provided pursuant to
35 subsection 4.

36 (b) May adopt such other regulations as the Commission on
37 Economic Development determines to be necessary to carry out the
38 provisions of this section and NRS 360.755.

39 10. The Nevada Tax Commission:

40 (a) Shall adopt regulations regarding:

41 (1) The capital investment that a new business must make to
42 meet the requirement set forth in paragraph (d), (e) or (g) of
43 subsection 2; and

44 (2) Any security that a business is required to post to qualify
45 for a partial abatement pursuant to this section.



1 (b) May adopt such other regulations as the Nevada Tax
2 Commission determines to be necessary to carry out the provisions
3 of this section and NRS 360.755.

4 11. An applicant for an abatement who is aggrieved by a final
5 decision of the Commission on Economic Development may
6 petition for judicial review in the manner provided in chapter 233B
7 of NRS.

8 *12. As used in this section, "local sales and use taxes" means*
9 *any taxes imposed on the gross receipts of any retailer from the*
10 *sale of tangible personal property sold at retail, or stored, used or*
11 *otherwise consumed, in any political subdivision of this State,*
12 *except the taxes imposed by NRS 374.110 or 374.190 or the Sales*
13 *and Use Tax Act.*

14 **Sec. 16.** NRS 360.755 is hereby amended to read as follows:

15 360.755 1. If the Commission on Economic Development
16 approves an application by a business for a partial abatement
17 pursuant to NRS 360.750, the agreement with the Commission must
18 provide that the business:

19 (a) Agrees to allow the Department to conduct audits of the
20 business to determine whether the business is in compliance with
21 the requirements for the partial abatement; ~~and~~

22 (b) *Agrees to file with the Department on an annual basis,*
23 *under penalty of perjury, a statement certifying that the business is*
24 *in compliance with the requirements for the partial abatement;*
25 *and*

26 (c) Consents to the disclosure of the audit reports in the manner
27 set forth in this section.

28 2. If the Department conducts an audit of the business to
29 determine whether the business is in compliance with the
30 requirements for the partial abatement, the Department shall, upon
31 request, provide the audit report to the Commission on Economic
32 Development.

33 3. Until the business has exhausted all appeals to the
34 Department and the Nevada Tax Commission relating to the audit,
35 the information contained in the audit report provided to the
36 Commission on Economic Development:

37 (a) Is confidential proprietary information of the business;

38 (b) Is not a public record; and

39 (c) Must not be disclosed to any person who is not an officer or
40 employee of the Commission on Economic Development unless the
41 business consents to the disclosure.

42 4. After the business has exhausted all appeals to the
43 Department and the Nevada Tax Commission relating to the audit:

44 (a) The audit report provided to the Commission on Economic
45 Development is a public record; and



1 (b) Upon request by any person, the Executive Director of the
2 Commission on Economic Development shall disclose the audit
3 report to the person who made the request, except for any
4 information in the audit report that is protected from disclosure
5 pursuant to subsection 5.

6 5. Before the Executive Director of the Commission on
7 Economic Development discloses the audit report to the public, the
8 business may submit a request to the Executive Director to protect
9 from disclosure any information in the audit report which, under
10 generally accepted business practices, would be considered a trade
11 secret or other confidential proprietary information of the business.
12 After consulting with the business, the Executive Director shall
13 determine whether to protect the information from disclosure. The
14 decision of the Executive Director is final and is not subject to
15 judicial review. If the Executive Director determines to protect the
16 information from disclosure, the protected information:

17 (a) Is confidential proprietary information of the business;

18 (b) Is not a public record;

19 (c) Must be redacted by the Executive Director from any audit
20 report that is disclosed to the public; and

21 (d) Must not be disclosed to any person who is not an officer or
22 employee of the Commission on Economic Development unless the
23 business consents to the disclosure.

24 **Sec. 17.** NRS 361.0687 is hereby amended to read as follows:

25 361.0687 1. A person who intends to locate or expand a
26 business in this State may, pursuant to NRS 360.750, apply to the
27 Commission on Economic Development for a partial abatement
28 from the taxes imposed by this chapter.

29 2. For a business to qualify pursuant to NRS 360.750 for a
30 partial abatement from the taxes imposed by this chapter, the
31 Commission on Economic Development must determine that, in
32 addition to meeting the other requirements set forth in subsection 2
33 of that section:

34 (a) If the business is a new business in a county whose
35 population is 100,000 or more or a city whose population is 60,000
36 or more:

37 (1) The business will make a capital investment in the county
38 of at least \$50,000,000 if the business is an industrial or
39 manufacturing business or at least \$5,000,000 if the business is not
40 an industrial or manufacturing business; and

41 (2) The average hourly wage that will be paid by the new
42 business to its employees in this State is at least 100 percent of the
43 average statewide hourly wage as established by the Employment
44 Security Division of the Department of Employment, Training and
45 Rehabilitation on July 1 of each fiscal year.



1 (b) If the business is a new business in a county whose
2 population is less than 100,000 or a city whose population is less
3 than 60,000:

4 (1) The business will make a capital investment in the county
5 of at least \$5,000,000 if the business is an industrial or
6 manufacturing business or at least \$500,000 if the business is not an
7 industrial or manufacturing business; and

8 (2) The average hourly wage that will be paid by the new
9 business to its employees in this State is at least 100 percent of the
10 average statewide hourly wage or the average countywide hourly
11 wage, whichever is less, as established by the Employment Security
12 Division of the Department of Employment, Training and
13 Rehabilitation on July 1 of each fiscal year.

14 *(c) In addition to meeting the applicable requirements of*
15 *paragraphs (a) and (b), if the business is a business that operates a*
16 *facility for the generation of electricity from renewable energy:*

17 *(1) The business will bring into the State or cause to be*
18 *brought into the State a manufacturer of components for the*
19 *generation of renewable energy, which manufacturer satisfies the*
20 *requirements of subsection 2 of NRS 360.750; or*

21 *(2) The business will purchase a certain minimum*
22 *percentage of the components it requires for the generation of*
23 *renewable energy from companies that manufacture those*
24 *components in the State. The Commission on Economic*
25 *Development shall adopt regulations setting forth the minimum*
26 *percentage necessary to satisfy the requirements of this*
27 *subparagraph.*

28 3. Except as otherwise provided in NRS 701A.210 ~~§~~ and
29 701A.220, if a partial abatement from the taxes imposed by this
30 chapter is approved by the Commission on Economic Development
31 pursuant to NRS 360.750:

32 (a) The partial abatement must:

33 (1) Be for a duration of at least 1 year but not more than 10
34 years;

35 (2) Not exceed 50 percent of the taxes on personal property
36 payable by a business each year pursuant to this chapter; and

37 (3) Be administered and carried out in the manner set forth in
38 NRS 360.750.

39 (b) The Executive Director of the Commission on Economic
40 Development shall notify the county assessor of the county in which
41 the business is located of the approval of the partial abatement,
42 including, without limitation, the duration and percentage of the
43 partial abatement that the Commission granted. The Executive
44 Director shall, on or before April 15 of each year, advise the county
45 assessor of each county in which a business qualifies for a partial



1 abatement during the current fiscal year as to whether the business is
2 still eligible for the partial abatement in the next succeeding fiscal
3 year.

4 **4. As used in this section:**

5 (a) *“Facility for the generation of electricity from renewable*
6 *energy” has the meaning ascribed to it in NRS 701A.220.*

7 (b) *“Industrial or manufacturing business” does not include a*
8 *facility for the generation of electricity from renewable energy.*

9 **Sec. 18.** Chapter 482 of NRS is hereby amended by adding
10 thereto a new section to read as follows:

11 *Every new vehicle dealer licensed in this State shall ensure*
12 *that, beginning with the 2012 model year and continuing with*
13 *subsequent model years, each new vehicle he offers for sale is*
14 *accompanied by a prominent disclosure setting forth the estimated*
15 *amount of carbon dioxide that the vehicle emits.*

16 **Sec. 19.** NRS 482.36414 is hereby amended to read as
17 follows:

18 482.36414 A person who assumes operation of a franchise
19 pursuant to NRS 482.36396 to 482.36414, inclusive, must be
20 licensed as a dealer pursuant to the provisions of NRS 482.318 to
21 482.363, inclusive ~~§~~, *and section 18 of this act.*

22 **Sec. 20.** Section 2.320 of the Charter of the City of Henderson,
23 being chapter 266, Statutes of Nevada 1971, as last amended by
24 chapter 48, Statutes of Nevada 1997, at page 89, is hereby amended
25 to read as follows:

26 Sec. 2.320 Sale, lease, exchange of real property owned
27 by the City: Procedure; disposition of proceeds.

28 1. Subject to the provisions of this section, the City may
29 sell, lease or exchange real property in Clark County, Nevada,
30 acquired by the City pursuant to federal law from the United
31 States of America.

32 2. Except as otherwise provided in subsection 3:

33 (a) The City may sell, lease or exchange real property
34 only by resolution. Following the adoption of a resolution to
35 sell, lease or exchange, the City Council shall cause a notice
36 of its intention to sell, lease or exchange the real property to
37 be published once in a newspaper qualified pursuant to the
38 provisions of chapter 238 of NRS and published in the City.
39 The notice must be published at least 30 days before the date
40 set by the City Council for the sale, lease or exchange, and
41 must state:

42 (1) The date, time and place of the proposed sale, lease
43 or exchange.



1 (2) The place where and the time within which
2 applications and deposits may be made by prospective
3 purchasers or lessees.

4 (3) Such other information as the City Council desires.

5 (b) Applications or offers to purchase, lease or exchange
6 pursuant to the notice required in paragraph (a) must be in
7 writing, must not be accepted by the City Council for
8 consideration before the date of publication of the notice and
9 must be accompanied by a deposit of not less than 1 percent
10 of the total offer to purchase. If a lease, sale or exchange is
11 not consummated because:

12 (1) The City refuses or is unable to consummate the
13 lease, sale or exchange, the deposit must be refunded.

14 (2) The person who made the application or offer to
15 lease, buy or exchange refuses or is unable to consummate
16 the lease, sale or exchange, the City shall retain an amount of
17 the deposit that does not exceed 5 percent of the total offer to
18 purchase.

19 3. The City Council may waive the requirements of
20 subsection 2 for any lease of residential property that is for a
21 term of 1 year or less.

22 4. The City Council shall not make a lease for a term of
23 3 years or longer or enter into a contract for the sale or
24 exchange of real property until after the property has been
25 appraised by one disinterested appraiser employed by the City
26 Council. Except as otherwise provided in subsections 7 and 8,
27 it must be the policy of the City Council to require that all
28 such sales, leases or exchanges be made at or above the
29 current appraised value as determined by the appraiser unless
30 the City Council, in a public hearing held before the adoption
31 of the resolution to sell, lease or exchange the property,
32 determines by affirmative vote of not fewer than two-thirds of
33 the entire City Council based upon specified findings of fact
34 that a lesser value would be in the best interest of the public.
35 For the purposes of this subsection, an appraisal is not
36 considered current if it is more than 3 years old.

37 5. It must be the policy of the City Council to sell, lease
38 and exchange real property in a manner that will result in the
39 maximum benefit accruing to the City from the sales, leases
40 and exchanges. The City Council may attach any condition to
41 the sale, lease or exchange as appears to the City Council to
42 be in the best interests of the City.

43 6. The City Council may sell unimproved real property
44 owned by the City on a time payment basis. The down
45 payment must be in an amount determined by the City



1 Council, and the interest rate must be in an amount
2 determined by the City Council, but must not be less than 6
3 percent per annum on the declining balance.

4 7. Notwithstanding the provisions of subsection 4, the
5 City Council may dispose of any real property belonging to
6 the City to the United States of America, the State of Nevada,
7 Clark County, any other political subdivision of the State, or
8 any quasi-public or nonprofit entity for a nominal
9 consideration whenever the public interest requires such a
10 disposition. In any such case, the consideration paid must
11 equal the cost of the acquisition to the City.

12 8. The City Council may sell, lease or exchange real
13 property for less than its appraised value to any person who
14 maintains or intends to maintain a business within the
15 boundaries of the City which is eligible *for an abatement*
16 *from local sales and use taxes* pursuant to ~~[NRS 374.357 for~~
17 ~~an abatement from the sales and use taxes imposed pursuant~~
18 ~~to chapter 374 of NRS.]~~ *section 13 of this act. As used in this*
19 *subsection, “local sales and use taxes” has the meaning*
20 *ascribed to it in NRS 360.750.*

21 9. Proceeds from all sales and exchanges of real property
22 owned by the City, after deduction of the cost of the real
23 property, reasonable costs of publication, title insurance,
24 escrow and normal costs of sale, must be placed in the Land
25 Fund previously created by the City in the City Treasury and
26 hereby continued. Except as otherwise provided in subsection
27 10, money in the Land Fund may be expended only for:

28 (a) Acquisition of assets of a long-term character which
29 are intended to continue to be held or used, such as land,
30 buildings, machinery, furniture, computer software and other
31 equipment.

32 (b) Capital improvements of improvements thereon.

33 (c) Expenses incurred in the preparation of a long-term
34 comprehensive master planning study and any expenses
35 incurred in the master planning of the City.

36 (d) All costs, including salaries, for administration of the
37 Land Fund, and the land within the City.

38 (e) Expenses incurred in making major improvements and
39 repairs to the water, sewer and street systems as differentiated
40 from normal maintenance costs.

41 ↪ Money received from leases of real property owned by the
42 City must be placed in the Land Fund if the term of lease is
43 20 years or longer, whether the 20 years is for an initial term
44 of lease or for an initial term and an option for renewal.
45 Money received by the City from all other leases and interest



1 on time payment sales of real property owned by the City
2 must be apportioned in the ratio of 20 percent to current
3 operational expenses of the City, 20 percent to the Land
4 Fund, and 60 percent divided between the Land Fund and
5 current operational expenses as determined by the Council.

6 10. If available, money in the Land Fund may be
7 borrowed by the City pursuant to the provisions of NRS
8 354.430 to 354.460, inclusive.

9 **Sec. 21.** Section 17 of chapter 539, Statutes of Nevada 2007,
10 at page 3389, is hereby amended to read as follows:

11 Sec. 17. 1. This section and sections 1, 4 to 8,
12 inclusive, and 10 to 16, inclusive, of this act become effective
13 upon passage and approval.

14 2. Sections 2 and 3 of this act become effective:

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

19 (b) On July 1, 2007, for all other purposes.

20 3. Sections ~~5, 7, 8~~ 8 and 11 of this act expire by
21 limitation on June 30, 2009.

22 4. Section 9 of this act becomes effective on July 1,
23 2009.

24 **Sec. 22.** NRS 374.357 is hereby repealed.

25 **Sec. 23.** The provisions of sections 1, 2, 7, 13 to 17, inclusive,
26 20 and 22 of this act do not apply to or affect the terms of any
27 abatement of taxes approved by the Commission on Economic
28 Development before July 1, 2009.

29 **Sec. 24.** As soon as practicable after July 1, 2009, the
30 Governor shall appoint to the Commission on Economic
31 Development any new members required to be appointed to the
32 Commission pursuant to NRS 231.040, as amended by section 6 of
33 this act.

34 **Sec. 25.** 1. This section and section 21 of this act become
35 effective upon passage and approval.

36 2. Sections 1 to 20, inclusive, 22, 23 and 24 of this act become
37 effective on July 1, 2009.



TEXT OF REPEALED SECTION

374.357 Abatement for eligible machinery or equipment used by certain new or expanded businesses. [Effective July 1, 2009.]

1. A person who maintains a business or intends to locate a business in this State may, pursuant to NRS 360.750, apply to the Commission on Economic Development for an abatement from the taxes imposed by this chapter on the gross receipts from the sale, and the storage, use or other consumption, of eligible machinery or equipment for use by a business which has been approved for an abatement pursuant to NRS 360.750.

2. If an application for an abatement is approved pursuant to NRS 360.750:

(a) The taxpayer is eligible for an abatement from the tax imposed by this chapter for not more than 2 years.

(b) The abatement must be administered and carried out in the manner set forth in NRS 360.750.

3. As used in this section, unless the context otherwise requires, "eligible machinery or equipment" means machinery or equipment for which a deduction is authorized pursuant to 26 U.S.C. § 179. The term does not include:

- (a) Buildings or the structural components of buildings;
- (b) Equipment used by a public utility;
- (c) Equipment used for medical treatment;
- (d) Machinery or equipment used in mining; or
- (e) Machinery or equipment used in gaming.

