

**PROPOSED REGULATION OF THE DIVISION OF EMERGENCY
MANAGEMENT OF THE DEPARTMENT OF PUBLIC SAFETY**

LCB File No. R097-08

July 18, 2008

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

AUTHORITY: §§1-29, section 5 of chapter 432, Statutes of Nevada 2005.

A REGULATION relating to emergency management; establishing a revolving account within the State General Fund for grants to persons who own and occupy homes damaged or destroyed in an emergency or disaster; setting forth the manner in which a person may apply for a grant; setting forth the circumstances under which the Division of Emergency Management of the Department of Public Safety may award grants to certain homeowners; and providing other matters properly relating thereto.

Section 1. Chapter 414 of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 29, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 29, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3 to 16, inclusive, of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Account” means the revolving account within the State General Fund created by section 5 of chapter 432, Statutes of Nevada 2005.*

Sec. 4. *“Applicant briefing” means a meeting conducted by the Division pursuant to the requirements set forth in section 20 of this regulation.*

Sec. 5. *“Disaster” has the meaning ascribed to it in NRS 353.271.*

Sec. 6. *“Division” means the Division of Emergency Management of the Department of Public Safety.*

Sec. 7. *“Emergency” has the meaning ascribed to it in NRS 414.0345.*

Sec. 8. *“Grant” means an award of money from the account to a homeowner whose home has been damaged or destroyed in an emergency or disaster.*

Sec. 9. *“Home” means a single-family dwelling occupied by a homeowner that is:*

1. A house on a foundation; or

2. A mobile home that is:

(a) On a foundation; or

(b) Set on owned or rented land.

Sec. 10. *“Homeowner” means an occupant of a home who:*

1. Is the legal owner of the home;

2. Is an immediate family member of the legal owner of the home; or

3. Leases the home from the legal owner of the home under an agreement that includes an option to purchase the home from the legal owner.

Sec. 11. *“Immediate family member” means a parent, sibling or child of a legal owner of a home.*

Sec. 12. *“Local declaration” means a document adopted by the appropriate political subdivision which complies with section 18 of this regulation.*

Sec. 13. *“Political subdivision” has the meaning ascribed to it in NRS 414.038.*

Sec. 14. *“Reimbursement” means a payment by the Division to a homeowner for repairs made to a home pursuant to section 24 of this regulation.*

Sec. 15. *“Repair project” means any effort to provide a satisfactory remedy for the damage of a home caused by an emergency or disaster.*

Sec. 16. *“Replacement project” means an effort to provide assistance to a homeowner whose home has been determined by the Division to be uninhabitable and irreparable.*

Sec. 17. *For the purposes of section 5 of chapter 432, Statutes of Nevada 2005, the Division will interpret:*

- 1. “Disaster” to include an emergency; and*
- 2. “Persons who own and occupy homes” to include a homeowner.*

Sec. 18. *A local declaration must:*

- 1. Declare that an emergency or disaster exists within the jurisdiction of the political subdivision declaring the emergency or disaster;*
- 2. State that all available local resources and government assets, including monetary, physical and personnel resources, have been exhausted because of the emergency or disaster; and*
- 3. Include a request that the Division, together with the local declaration, make a determination that the emergency or disaster has occurred.*

Sec. 19. *The money in the account will be used for:*

- 1. Providing grants in amounts not to exceed the maximum amount allowable under the Federal Emergency Management Agency Assistance to Individuals and Households Program for:*
 - (a) Repair projects; and*
 - (b) Replacement projects; and*
- 2. Actual expenses incurred by the Division for administering those grants.*

Sec. 20. 1. *The Division will, within 60 days after the issuance of a local declaration or declaration of disaster by a federal agency, conduct an applicant briefing in each affected area.*

2. Each applicant briefing will address:

(a) Administrative requirements;

(b) Requirements for a homeowner to become eligible to receive assistance from the account; and

(c) Instruction for applying for assistance from the account.

Sec. 21. 1. *A homeowner who wishes to obtain assistance from the account must submit an application to the Division in accordance with the requirements set forth in this section.*

2. An application or written notice of intent to apply for assistance from the account must be received by the Division within 60 days after the issuance of the local declaration or declaration of disaster by a federal agency for which the application is submitted.

3. If the Division receives a written notice of intent to apply within the period specified in subsection 2, a completed application must be received by the Division within 90 days after the issuance of the local declaration or declaration of disaster by a federal agency for which the application is submitted.

4. An applicant may submit a written request for a 30-day extension of the period specified in subsection 2 if, as determined by the Division, circumstances occur beyond the applicant's control. A request for an extension must set forth the reason for the delay. The Division may approve requests on a case-by-case basis.

5. Each application for assistance from the account must include, without limitation:

(a) The date the damage or loss occurred;

(b) Except as otherwise provided in subsection 6, at least three estimates of:

(1) The costs of repair of the home prepared by a holder of a contractor's license issued pursuant to chapter 624 of NRS; or

(2) The appraised value of the home, if the home is destroyed in the emergency or disaster;

(c) A certification of insurance benefits issued by the insurer, if the home is insured by a homeowner's policy of insurance;

(d) An affidavit sworn to by the applicant indicating that all other available sources of assistance have been or will be depleted to satisfy the necessary living expenses of the homeowner or homeowner's family;

(e) Proof satisfactory to the Division that the applicant is the homeowner of the home;

(f) At least two forms of the homeowner's personal identification, including at least one form of photographic identification;

(g) A notarized statement from the legal owner of the home authorizing the repair of the home, if the home is subject to a lease that contains an option for the lessee to purchase the home; and

(h) Information satisfactory to the Division regarding any assistance obtained from the Federal Emergency Management Agency or any other federal program.

6. The Division may waive the provisions of paragraph (b) of subsection 5 if:

(a) The estimates specified in that paragraph cannot be reasonably obtained and the homeowner submits a written request to the Division for such a waiver; or

(b) A disaster has been declared by a federal agency and the homeowner submits to the Division the estimates determined by the Federal Emergency Management Agency or the Small Business Administration, if any.

Sec. 22. *1. Upon receipt of an application for assistance from the account, the Division will:*

(a) Confirm and obtain a copy of the local declaration or declaration of disaster by a federal agency;

(b) Verify that the application meets the requirements of section 21 of this regulation;

(c) Review and verify any policy of insurance for the home specified in the application; and

(d) Conduct an interview with the applicant to determine whether the application is complete and to identify any deficiencies. If a deficiency exists, the Division will:

(1) Provide a letter to the applicant identifying the deficiency; and

(2) Set forth the manner in which the applicant may correct the deficiency.

2. The Division will deny an application if any deficiency identified pursuant to subsection 1 is not corrected within 30 days after the date of the letter identifying the deficiency.

3. Upon completing the requirements of subsection 1, the Division will issue a:

(a) Notice of grant award including the program requirements if the application is approved; or

(b) Letter of denial including the reason for the denial.

4. The Division will include a statement setting forth the applicant's right to appeal any decision made regarding a grant award or denial with any notice or letter issued pursuant to subsection 3.

Sec. 23. *1. If the Division approves an application, a grant will be awarded based on the following factors:*

(a) The total number of applications received; and

(b) The total amount of money in the account that is available for distribution.

2. If the money available in the account is insufficient to award grants for all the applications received by the Division, the Division will establish a new maximum amount available for grants by dividing the total amount of money available in the account by the number of approved applications. No grant may exceed the new maximum grant amount, but any application for a grant that is less than the maximum amount may be awarded for the entire amount requested by the applicant.

3. Except as otherwise provided in section 27 of this regulation, a grant for a repair project will be paid in accordance with section 24 of this regulation.

4. Payment of a grant for a replacement project for a house on a foundation will be made immediately upon approval of the application.

5. Payment of a grant for a replacement project for a mobile home will be made upon receipt of the National Automobile Dealers Association book value for manufactured homes in the amount of that book value, not to exceed the maximum amount allowable for a replacement project.

6. A homeowner may only apply for a grant for costs that exceed the applicant's available personal resources, assistance from other programs and a homeowner policy of insurance, but

may include reimbursement of any deductible for insurance already applied to the applicant's loss.

Sec. 24. 1. *If a homeowner is awarded a grant for a repair project, the Division must receive a final request for reimbursement not later than 60 days after the project is completed.*

The request must include copies of the following documents related to the project:

- (a) Contracts;*
- (b) Receipts;*
- (c) Invoices;*
- (d) Cancelled checks; and*
- (e) Any additional document or other information required by the Division.*

2. *The Division may require an applicant to submit an original of any document required pursuant to subsection 1, if available.*

3. *Upon receipt of a request for reimbursement that complies with the requirements of subsection 1, the Division will review and approve or disapprove the reimbursement request based upon the following considerations:*

- (a) An eligibility review of the project costs in accordance with the approved applications and the intent for use of the grants;*
- (b) A review of the documentation evidencing all costs claimed on the request; and*
- (c) Verification that the costs requested to be reimbursed are within the amount approved for the project.*

4. *If the reimbursement request is approved, the Division will process the request for payment to the homeowner.*

Sec. 25. 1. *An approved repair project must be completed within 1 year after the grant for the repair project is awarded, unless, as determined by the Division, a delay occurs because of:*

- (a) Extreme weather;*
- (b) Unavailability of necessary construction materials; or*
- (c) Unforeseen circumstances relating to construction.*

2. *If a homeowner reasonably believes that an approved project will not be completed within 1 year after the grant is awarded, the homeowner must submit to the Division a written request for an extension setting forth:*

- (a) The reason for the delay;*
- (b) A statement from the contractor for the repair project specifying the reason for the delay; and*
- (c) The amount of additional time necessary to complete the repair project.*

3. *The Division will consider a request for an extension pursuant to subsection 2 on a case-by-case basis. The Division may inspect the repair project at any time with at least 5 working days' notice to the homeowner or contractor.*

Sec. 26. 1. *An applicant may submit a request to the Division for a supplemental grant if the applicant is awarded a grant in an amount that is less than the maximum amount allowable for a repair project, and the applicant later incurs costs that exceed the applicant's original grant.*

2. *The Division may approve a request for a supplemental grant upon verification of eligibility. An award of a supplemental grant from the account is subject to the same requirements for awarding and using grants for repair projects.*

3. *The sum of the original grant and any supplemental grant may not exceed the maximum amount allowable for a repair project.*

Sec. 27. 1. *In lieu of reimbursement, the Division may advance money from the account for a repair project:*

- (a) If the repair project cannot begin without an advance of money to a contractor;*
- (b) If the homeowner provides the Division with written proof that a contractor requires a deposit be placed on the project; or*
- (c) Periodically, based upon the percentage of the project that has been completed and the submission of documentation evidencing all costs incurred to date.*

2. *An advance of money pursuant to subsection 1 must not exceed 25 percent of a contractor's total estimated cost.*

Sec. 28. *An applicant receiving money from the account shall, within 30 days after receiving that money, reimburse the account from any money the applicant receives for the same purpose from any other source, including, but not limited to:*

- 1. Any federal, state or local governmental agency or private entity awarding money for emergency or disaster assistance;*
- 2. Any legal action taken against any person or entity responsible for the emergency or disaster; or*
- 3. A policy of insurance covering damage caused by the emergency or disaster.*

Sec. 29. 1. *After a homeowner receives a grant, the legal owner of the home, if other than the homeowner, must obtain and maintain a policy of insurance which provides coverage for a future similar emergency or disaster in order to be eligible for another grant.*

2. Money in the account may only be used during a local declaration of emergency or disaster and will not be used in lieu of any available federal disaster assistance programs.

3. A grant for a repair project or replacement project must be used solely for the repair or replacement of the home for which the grant was awarded to the condition of the home before the emergency or disaster. A grant must not be used for costs associated with:

(a) Home improvements, upgrades or enhancements; or

(b) The repair or replacement of:

(1) Outbuildings;

(2) Pools, jacuzzis, spas or saunas;

(3) Decks;

(4) Landscaping;

(5) Furnishings;

(6) Appliances; or

(7) Personal property.