

**REVISED PROPOSED REGULATION OF THE
DIRECTOR OF THE OFFICE OF ENERGY**

LCB File No. R051-15

September 3, 2015

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

AUTHORITY: §§1-5 and 7, NRS 701A.450, as amended by section 3 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1920; §6, NRS 218F.510, as amended by section 2 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1919, NRS 281.129, as amended by section 1 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1919, and NRS 701A.450, as amended by section 3 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1920.

A REGULATION relating to the Renewable Energy Account; establishing a process by which an officer or employee of the State who receives a loan or other distribution of money from the Account may enter into an agreement with the Director of the Office of Energy pursuant to which repayment of the loan or other distribution of money from the Account will be made through payroll deductions; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Under existing law, not less than 75 percent of the money in the Renewable Energy Account administered by the Director of the Office of Energy must be used to offset the cost of electricity to or the use of electricity by retail customers of a public utility that is subject to the portfolio standard established by the Public Utilities Commission of Nevada. Existing law authorizes the Director to establish by regulation a procedure by which any officer or employee of the State to whom the Director has made a loan or other distribution of money from the Account may enter into an agreement with the Director pursuant to which repayment of the loan or other distribution of money from the Account may be made through payroll deductions. (NRS 701A.450, as amended by section 3 of Assembly Bill No. 466, chapter 342, Statutes of Nevada 2015, at page 1920)

Section 6 of this regulation provides that an officer or employee of the State who has been approved for a loan or other distribution of money from the Account may apply to enter into an agreement with the Director pursuant to which the repayment of the loan or other distribution of money from the Account will be made through payroll deductions. **Section 6** sets forth certain terms and information which any such agreement must contain. **Section 6** also provides that the Director will provide to the Department of Administration or the Legislative

Fiscal Officer, as applicable, the information necessary to enable the Department or the Legislative Fiscal Officer, as applicable, to administer the payroll deduction authorized by the agreement.

Section 7 of this regulation authorizes the Director to suspend repayment of a loan or other distribution of money from the Account during any period other than when an officer or employee of the State is working, on leave with pay, except catastrophic leave, or on a leave of absence due to a fiscal emergency. If the Director does not suspend repayment during any such period, **section 7** provides the mechanism by which the Director will collect repayment of the loan or other distribution of money. **Section 7** also provides for the payment in full of the entire unpaid balance of any loan or other distribution of money from the Account upon the permanent separation from service of an officer or employee of the State who has entered into an agreement with the Director for repayment through payroll deductions.

Section 1. Chapter 701A of NAC is hereby amended by adding thereto the provisions set forth as sections 2 to 7, inclusive, of this regulation.

Sec. 2. *As used in sections 2 to 7, inclusive, of this regulation, unless the context otherwise requires, the words and terms defined in sections 3, 4 and 5 of this regulation have the meanings ascribed to them in those sections.*

Sec. 3. *“Account” means the Renewable Energy Account created by NRS 701A.450.*

Sec. 4. *“Director” means the Director of the Office of Energy appointed pursuant to NRS 701.150.*

Sec. 5. *“Participant” means an officer or employee of the State who receives a loan or other distribution of money from the Account and enters into an agreement with the Director pursuant to section 6 of this regulation to repay the loan or other distribution of money from the Account through payroll deductions from the paycheck of the officer or employee of the State.*

Sec. 6. *1. An officer or employee of the State who has received a loan or other distribution of money from the Account may submit to the Director, on a form approved by the Director, an application to enter into an agreement pursuant to which repayment of the loan*

or other distribution of money from the Account will be made through payroll deductions from the paycheck of the officer or employee.

2. If the Director approves an application submitted pursuant to subsection 1, the Director may enter into an agreement with the participant. An agreement entered into pursuant to this subsection must include:

- (a) The amount of the loan or other distribution of money from the Account;*
- (b) The total amount to be repaid by the participant;*
- (c) The amount to be deducted from each paycheck of the participant;*
- (d) A description of each approved energy efficiency measure selected by the participant;*
- (e) Any waivers or consent requirements established by the Director;*
- (f) Provisions specifying that the participant may repay the loan or other distribution of money from the Account early without penalty; and*
- (g) Any other terms and conditions the Director determines necessary to ensure the repayment of the loan or other distribution of money from the Account.*

3. Upon entering into an agreement with a participant pursuant to subsection 2, the Director will provide to the Department of Administration or the Legislative Fiscal Officer, as applicable, the information necessary to enable the Department of Administration or the Legislative Fiscal Officer, as applicable, to administer the payroll deduction set forth in the agreement, including:

- (a) The name of the participant;*
- (b) The employee number of the participant;*
- (c) The amount of the payroll deduction authorized by the agreement;*
- (d) The frequency of the payroll deductions authorized by the agreement;*

(e) The total amount of the loan or other distribution of money from the Account authorized by the agreement; and

(f) Any other information which the Department of Administration or the Legislative Fiscal Officer, as applicable, determines is necessary to administer the payroll deduction set forth in the agreement.

Sec. 7. 1. The Director may suspend repayment pursuant to an agreement entered into pursuant to section 6 of this regulation of a loan or other distribution of money from the Account during any period other than when the participant is in paid status as that term is defined in NAC 284.0742. If the Director does not suspend repayment during such period:

(a) The Director will bill the participant for the payment due;

(b) Payment is due on the 20th day of each month during the period;

(c) Payment must be made not later than 15 days after the date on which the payment is due; and

(d) If payment is not received by the date on which it is due:

(1) The Director may provide notice to the participant by mail that the payment is past due; and

(2) The loan or other distribution of money from the Account may be subject to collection proceedings in accordance with the provisions of chapter 353C of NRS.

2. Upon a participant's permanent separation from service, the entire unpaid balance of the loan or other distribution of money from the Account is deemed to be due in its entirety and may be withheld from the final paycheck of or other final payment of money by the State to the participant. Any unpaid balance remaining thereafter must be paid by the participant by check within 60 days after the participant's date of permanent separation from service. If a

participant fails to pay the unpaid balance remaining within 60 days after his or her date of permanent separation from service, the unpaid balance remaining is deemed to be past due and the Director will take action to collect the debt in accordance with the provisions of chapter 353C of NRS.