

### **NEVADA STATE CONTRACTORS BOARD**

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# INFORMATIONAL STATEMENT OF ADOPTED REGULATION AS REQUIRED BY ADMINISTRATIVE PROCEDURES ACT, NRS 233B.066 LCB FILE NO. R030-21

The following statement is submitted for adopted amendments to the Nevada Administrative Code (NAC) Chapter 624 in compliance with NRS 233B.066.

1. A clear and concise explanation of the need for the adopted regulation.

The purpose of the proposed regulation is to amend Chapter 624 of the Nevada Administrative Code to comply with the provisions of SB 303 which require the agency to adopt by regulation standards for advertisements concerning residential photovoltaic systems used to produce electricity. The proposed regulation: (1) prohibits a contractor from engaging in deceptive advertising or "bait and switch" advertising regarding work concerning residential photovoltaic systems used to produce electricity; and (2) describes the acts which constitute such prohibited advertising.

- 2. A description of how public comment was solicited, a summary of the public response and an explanation of how other interested persons may obtain a copy of the summary.
  - a) A description of how public comment was solicited:

The notice of workshop and notice of hearing to solicit comments on the proposed regulation was posted on the agency's website and on the Nevada Public Notice Website, State Library and Archives, both offices of the Nevada State Contractors Board. Additionally, the notice of workshop and hearing, and the proposed regulation were e-mailed electronically to approximately 461 individuals and organizations who have expressed interest in being kept informed of the Board's meetings. Public comment was solicited in the Notice of Workshop and Hearing which included the proposed regulation and small business impact statement.

Public comment was also solicited at the workshop held on November 9, 2021 and at the hearing held on November 16, 2021 and November 18, 2021. The public workshop and hearing took place at the office of the Board, 2310 Corporate Circle, Suite 200, Henderson, Nevada 89074 with simultaneous videoconferencing with the Board's office, 5390 Kietzke Lane, Suite 102, Reno, Nevada 89511.

Public comment from Mr. Stephen Lassiter, Senior Manager of Public Policy with Sunrun, Ms. Jessica Ferrato with Crowley & Ferrato Public Affairs, representing the Solar Energy Industries Association, the national trade association on solar, and Senior Deputy Attorney General Michelle Newman with the Office of the Attorney General, Bureau of Consumer Protection was received and considered.

#### b) A summary of the responses from the public:

Four written comments were received between July 15, 2021 and October 14, 2021 related to questions concerning language in the draft regulation. As a result, certain provisions were omitted or modified before the workshop. One additional written comment was received on November 3, 2021 and was taken into consideration.

At the hearing on November 16, 2021, Senior Deputy Attorney General Michelle Newman with the Office of the Attorney General, Bureau of Consumer Protection provided testimony and suggested changes concerning additional practices that would be fraudulent or deceitful advertising.

#### c) An explanation of how other interested persons may obtain a copy of the summary:

The summary in part 2(b) above reflects the public comment and testimony that transpired with the regard to R030-21. A copy of said summary may be obtained by contacting Diana Wallace, Administrative Assistant, at (775) 850-7862 or diwallace@nscb.state.nv.us.

#### 3. The number of persons who:

Attended each hearing: 2

Testified at each hearing: 1

Submitted to the agency written statements: 5

#### 4. Names & Addresses of persons either submitting written statements or testimony:

Senior Deputy Attorney General Michelle Newman Office of the Attorney General, Bureau of Consumer Protection 100 North Carson Street Carson City, NV 89701

Krystal Hosmer Robco Electric Inc 5692 La Costa Canyon Ct, Suite 105 Las Vegas, NV 89139

Sara Birmingham Solar Energy Industries Association (SEIA) sbirmingham@seia.org

Jessica Ferrato Crowley & Ferrato Public Affairs (on behalf of Solar Energy Industries Association) 550 W. Plumb Ln. Reno, NV 89509

Brian Reeder Ferrari Reeder Public Affairs (on behalf of Sunrun) 4741 Caughlin Pkwy Suite 2 Reno, NV 89519

Stephen Lassiter, Senior Manager of Public Policy Sunrun 225 Bush Street, Suite 1400 San Francisco, CA 94104

## 5. A description of how comment was solicited from affected businesses, a summary of their response and an explanation of how other interested persons may obtain a copy of the summary.

#### a) A description of how public comment was solicited:

Comments were solicited from affected businesses in the same manner as they were solicited from the public. Please see the description provided above in response to #2(a).

#### b) A summary of the responses from the affected businesses:

Four written comments were received between July 15, 2021 and October 14, 2021 related to questions concerning language in the draft regulation. As a result, certain provisions were omitted or modified before the workshop. One additional written comment was received on November 3, 2021 and was taken into consideration.

At the hearing on November 16, 2021, Senior Deputy Attorney General Michelle Newman with the Office of the Attorney General, Bureau of Consumer Protection provided testimony and suggested changes concerning additional practices that would be fraudulent or deceitful advertising.

c) An explanation of how other interested persons may obtain a copy of the summary:

The summary in part 5(b) above reflects the public comment and testimony that transpired with the regard to R-030-21. A copy of said summary may be obtained by contacting Diana Wallace, Administrative Assistant, at (775) 850-7862 or diwallace@nscb.state.nv.us.

6. If the regulation was adopted without changing any part of the proposed regulation, a summary of the reasons for adopting the regulation without change.

The regulation was adopted with the changes introduced by the Office of the Attorney General Bureau of Consumer Protection, identified as AG Proposed Revisions 11.16.21.

- 7. The estimated economic effect of the regulation on the business which it is to regulate and on the public.
  - A) Estimated economic effect on the businesses which they are to regulate.

The regulation should not result in any adverse economic effect in either the immediate term or in the long term on businesses in which they regulate. Immediate and long-term beneficial effects upon the business that the regulation regulate include a leveling of the playing field from deceptive advertising.

B) Estimated economic effect on the public which they are to regulate

The regulation should not result in any adverse economic effect in either the immediate term or in the long term on the general public. Benefits for the public in the immediate and long-term include truthful advertising to increase the consumer confidence and decision-making.

8. The estimated cost to the agency for enforcement of the proposed regulation.

The proposed regulation will not result in any cost to the agency.

 A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement why the duplication or overlap is necessary. If the regulation overlaps or duplicates a federal regulation, the name of the regulating federal agency.

The proposed regulation does not overlap or duplicate any regulation.

10. If the regulation includes provisions that are more stringent than a federal regulation that regulates the same activity, a summary of such provisions.

There are no federal regulations that apply.

11. If the regulation provides a new fee or increases an existing fee, the total annual amount the agency expects to collect and the manner in which the money will be used.

This regulation does not establish a new fee or increase an existing fee.