

**PROPOSED REGULATION OF THE HOUSING DIVISION OF THE
DEPARTMENT OF BUSINESS AND INDUSTRY**

LCB File No. R115-14

NOTICE OF WORKSHOP AND AGENDA

LCB FILE NO. R115-14

NAC 319.951 to 319.999

Relating to the Affordable Housing Tax Credit Program

Tuesday, January 27, 2015

11:00 a.m. to 12:00 pm

Regarding the provisions of NAC 319.951 to 319.999 inclusive, related to §42 of the Internal Revenue Code regarding the Low Income Housing Tax Credit program, the State of Nevada, Department of Business and Industry, Housing Division, is proposing the adoption, amendment or repeal of regulations pertaining to chapter 319 of the Nevada Administrative Code appertaining to §42.

A workshop to discuss this matter has been set for **Tuesday, January 27, 2015, from 11:00 a.m. to 12:00 pm** to be held in person, via video conference and via teleconference at the following locations. For conference call access, dial in at: (888) 636-3807, Access Code: 3042696.

Public Workshop locations:

Nevada Housing Division
Conference Room
7220 Bermuda Road, Suite B
Las Vegas, NV 89119
702-486-7220

Nevada Housing Division
Conference Room
1535 Old Hot Springs Rd., Suite# 50
Carson City, NV 89706
775-687-2040

All documents and the location of all supporting documents are at the following locations: To request documents and/or information please contact:

Mike Dang
Nevada Housing Division
1535 Old Hot Springs Rd., Suite# 50
Carson City, NV 89706
775-687-2033

A copy of the draft proposed regulations; as well as a posting of this NOTICE OF PUBLIC WORKSHOP can also be accessed at <http://housing.nv.gov/>.

AGENDA

1. Call to Order—Mike Dang, Chief of Programs
2. **Public Comment** (Members of the general public may bring matters not appearing on the agenda to the attention of the Division. The Division may discuss the matters, but may not act upon the matter at this meeting. The matter may be placed on a future agenda for possible action. Public Comments will be limited to 5 minutes per person)
3. **Discussion** regarding changes to NAC 319.951-319.999 made by LCB File No. R115-14
4. **Public Comment.**
(Members of the general public may bring matters not appearing on the agenda to the attention of the Division. The Division may discuss the matters, but may not act upon the matter at this meeting. The matter may be placed on a future agenda for possible action. Public Comments will be limited to 5 minutes per person)
5. Adjournment.

Members of the public who are disabled and require special accommodations or assistance at the meeting are requested to notify the Division in writing at 1535 Old Hot Springs Road, Suite #50, Carson City, Nevada 89706, or by calling (775) 687-2040. Please notify the Division as soon as possible to allow time to secure any necessary equipment or provisions prior to the meeting.

This notice has been mailed to persons as provided in NRS 241.020 and NAC 319.971, and has been posted at the following locations: The Division's offices in Carson City and Las Vegas as well as the Division's website, <http://housing.nv.gov/>; the Nevada State Library; The Office of the State Attorney General.

ADDITIONAL NOTICES

1. Items may be taken out of order listed on the Agenda;
2. Two or more Agenda items may be combined for consideration;
3. Items may be removed from the Agenda or delayed at any time;
4. Public comment may be limited to 5 minutes or less per person. Comments cannot be restricted based upon meeting purpose viewpoint;
5. Reasonable efforts will be made to assist and accommodate physically handicapped persons desiring to attend the hearings. If you plan to attend a hearing and require assistance please contact the Division in advance of the hearing date. In Las Vegas, please contact Mark Licea at 702-486-7254. In Reno or Carson City, please contact Mike Dang at 775-687-2033. The TDD Number is 800-326-6868. You may also contact Denise Cox, Section 504 coordinator, at 775.687.2044.
6. Action may be taken only on those items denoted "for possible action."

This Agenda has been posted at or sent to the following locations:

- Nevada State Library and Archives Administrator
- To the Director of LCB for posting on the Nevada Legislature Website: <https://www.leg.state.nv.us/App/Notice/A/>
- [The Register, via DCorp@lcb.state.nv.us](#)
- Each Nevada Housing Division office and the Division Website: <http://housing.nv.gov/>
- [The main public library and other public libraries as described below](#)
- Nevada Public Notice Website: <https://notice.nv.gov/>
- [Persons on the agency's mailing list](#)

A copy of this Agenda will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours.

This Agenda is also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us/>.

Additional copies of the Agenda will be available at the Division office addresses shown above and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours.

Copies of this Agenda will also be mailed to members of the public upon written request to Chris Tirey at ctirey@housing.nv.gov. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

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Goldfield, Nevada 89013-0430

Eureka Branch Library
10190 Monroe Street
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Reno, Nevada 89501-2102

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Ely, Nevada 89301

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Carson City, Nevada 89706

Nevada Housing Division
7220 Bermuda Rd Suite B
Las Vegas, Nevada 89119

Department of Business and Industry,
Administration
1830 College Parkway #100
Carson City, Nevada 89706

Department of Business & Industry
Director's Office
555 E. Washington Avenue, Suite 4900
Las Vegas, Nevada 89101

Office of the Attorney General
100 North Carson Street
Carson City, NV 89701

NOTICE OF INTENT TO ACT UPON A REGULATION

**NOTICE OF HEARING FOR THE ADOPTION OF REGULATIONS
OF THE NEVADA HOUSING DIVISION
LCB FILE NO. R115-14**

**REGARDING NAC 319.951 to 319.999
Relating to the Affordable Housing Tax Credit Program
Thursday, February 12, 2015, 11:00 a.m.**

The Nevada Housing Division (the “Division”) of the Department of Business and Industry will hold a public hearing at **11:00 a.m. on the 12th day of February of 2015** at the locations shown below and via tele-conference:

The **Hearing** will be held in person and via video conference at the following locations. For **conference call** access, you may dial in at: (888) 636-3807, Access Code: 3042696.

Public Hearing locations:

Nevada Housing Division
Conference Room
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Conference Room
1535 Old Hot Springs Rd., Suite# 50
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775-687-2040

The purpose of the hearing is to receive comments from all interested persons regarding the adoption of regulations that pertain to Chapter 319 of the Nevada Administrative Code.

The following information is provided pursuant to NRS 233B.0603:

1. Need and Purpose

The proposed regulation is needed for the purpose of improving the effectiveness and efficiency of the tax credit program.

2. Text Availability

The text of the proposed regulation may be obtained from the Division’s website at http://housing.nv.gov/Public_Meetings/Public_Meetings_and_Hearings/ or by contacting Mike Dang at:

Nevada Housing Division
Nevada Dept of Business & Industry
1535 Old Hot Springs Road, Suite 50
Carson City, NV 89706
Direct: 775.687.2033
General: 775.687.2040
Toll free: 800-227-4960
Email mdang@housing.nv.gov

3. The estimated economic effect of the regulation on the business which it is to regulate and on the public.

I. Adverse and beneficial effects

I.a. The estimated adverse economic effects of the regulation on the business which it is to regulate and on the public are that there will be none. The proposed regulation applies to multi-family property developers and is designed to reduce for businesses redundancies and inconsistencies between the IRS mandated Qualified Allocation Plan (QAP) and the NAC.

I.b. The estimated beneficial economic effects of the regulation on the business which it is to regulate and on the public are favorable. The proposed regulation applies to multi-family property developers and is designed to reduce for businesses redundancies and inconsistencies between the IRS mandated QAP and the NAC.

II. Immediate and long-term effects.

II.a. The immediate effects on the business which it is to regulate and on the public are none at the time of this posting.

II.b. The long-term effects on the business which it is to regulate and on the public are none at the time of this posting and are estimated thereafter to be a reduction in administrative time and affected business community time.

4. Impact on small business

The methods used by the agency in determining the impact on a small business are two-fold. The first method was to send out a survey for comments to the low-income housing development community. The Division provided a copy of the proposed NAC and requested comments. The second method was to call and discuss the proposed regulation with potentially affected members of the low-income housing development community. The result of the survey and discussions was that there were no material negative impacts expected.

5. Estimated cost to the agency for enforcement of the proposed regulation

The estimated cost to the agency for enforcement of the proposed regulation would be any direct legal costs and related administrative handling costs in case a situation arose which required the Division's Deputy Attorney General's involvement. Such a situation could arise where a developer or other party debated a point in the QAP or the NAC. The costs would also be any allocated indirect staff costs for working with a developer to clarify the new regulations. These costs are estimated to be minimal, at the most.

6. Overlap and Duplication

The Division knows of no other state regulations which this proposed regulation may overlap or duplicate. The current regulations do overlap or are unnecessarily duplicative, tautological, or redundant to the federal regulations promulgated by the Internal Revenue Code (IRC) § 42 and

the United States Department of the Treasury, 26 CFR § 1.42 or of the IRC § 42 mandated IRC Qualified Allocation Plan.

7. Regulations required pursuant to federal law

The proposed regulations are not required pursuant to federal law. In fact, the IRS advised the State to review the body of similar regulations promulgated by states of similar populations. The IRS pointed out that many states of similar populations do not have state regulations governing the low-income housing tax credit process because Internal Revenue Code § 42 and its related provisions, such as 26 CFR § 1.42 and other IRS rulings are the prevailing law on the matter. Combined with the IRC § 42 mandated QAP, the view was that many states have found this level of regulation sufficient. The Division did conduct such a review and did observe the conditions the IRS indicated the Division would find.

8. Regulation provisions more stringent than federal regulations

The proposed regulations are not more stringent than federal regulations regulating the same activity.

9. Time, place and manner for comments.

Persons may present their views regarding the proposed regulation in writing to the Division at any time prior to February 12, 2015. Persons may also attend the public hearing on February 12, 2015.

10. This regulation does not establish a new fee nor increase an existing fee.

Persons wishing to comment upon the proposed action of the Nevada Housing Division may appear at the scheduled public hearing or may address their comments, data, views or arguments, in written form, to the addresses and parties shown above. Written submissions must be received by the Housing Division on or before the close of business, Friday, February 6, 2015. If no person who is directly affected by the proposed action appears to request time to make an oral presentation, the Nevada Housing Division may proceed immediately to act upon any written submissions.

A copy of this notice and the regulation to be Adopted will be on file at the State Library, 100 Stewart Street, Carson City, Nevada, for inspection by members of the public during business hours. Additional copies of the notice and the regulation to be Adopted will be available at the Division office addresses shown above and in all counties in which an office of the agency is not maintained, at the main public library, for inspection and copying by members of the public during business hours. This notice and the text of the proposed regulation are also available in the State of Nevada Register of Administrative Regulations, which is prepared and published monthly by the Legislative Counsel Bureau pursuant to NRS 233B.0653, and on the Internet at <http://www.leg.state.nv.us/>. Copies of this notice and the proposed regulation will also be mailed to members of the public upon written request to Chris Tirey at ctirey@housing.nv.gov. A reasonable fee may be charged for copies if it is deemed necessary.

Upon adoption of any regulation, the agency, if requested to do so by an interested person, either before adoption or within 30 days thereafter, shall issue a concise statement of the principal

reasons for and against its adoption, and incorporate therein its reason for overruling the consideration urged against its adoption.

This notice of hearing has been posted at the following locations:

- Nevada Public Notice Website: <https://notice.nv.gov/>
- Nevada Housing Divisions Website: <http://housing.nv.gov/>
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3. **For Possible Action** Public Hearing for LCB File No. R115-14.
 - a. Discussion of written public comments submitted to Division
 - b. Public comments
 - c. Consideration of public comments and possible adoption of LCB File No. R115-14
4. **Public Comment.**
(Members of the general public may bring matters not appearing on the agenda to the attention of the Division. The Division may discuss the matters, but may not act upon the matter at this meeting. The matter may be placed on a future agenda for possible action. Public Comments will be limited to 5 minutes per person)
5. Adjournment.

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