



755 North Roop Street, Suite 202
Carson City, NV 89701
Office: (775) 687-1850
Fax: (775) 687-1869

GOVERNOR'S OFFICE OF ENERGY

**LEGISLATIVE REVIEW OF ADOPTED REGULATIONS AS REQUIRED BY
NRS 233B.066
LCB FILE R128-18**

The following statement is submitted for adopted amendments to Nevada Administrative Code (NAC) Chapter 701A.

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

The proposed amendments are necessary to clarify and correct language within the regulation and conform to the requirements of NRS 701A.100-701A.110.

2. Description of how public comment was solicited, a summary of public response, and an explanation of how other interested persons may obtain a copy of the summary.

Copies of the proposed regulation, the notice of workshop and notice of intent to act upon the regulation were sent by email to persons who were known to have an interest in the adoption of the proposed regulation as well as any person who had specifically requested such notice. These documents were also made available at the website of the Governor's Office of Energy, www.energy.nv.gov, the website of the Nevada Legislature at <http://leg.state.nv.us/app/Notice/A/>, the Nevada State official website at <https://notice.nv.gov>, faxed or emailed to all county libraries in Nevada and posted at the following locations:

Governor's Office of Energy
755 N. Roop Street, Suite 202
Carson City, NV

Carson City Library
900 N. Roop Street
Carson City, NV

State Library and Archives
100 N. Stewart Street
Carson City, NV

Nevada State Legislative Building
401 S. Carson Street
Carson City, NV

State of NV Dept. of Administration
209 E. Musser Street
Carson City, NV

Grant Sawyer Building
555 E. Washington Ave
Las Vegas, NV

A workshop was held on December 6, 2018. The Governor's Office of Energy took oral and written comments from the public and interested parties. Comments were made by Vicki Worden with the Green Building Initiative, Ramon Reynoso, Andrew Soulier and Brian Mistler with Ernst & Young, Eric Dominguez & Rob Monis with Caesars Entertainment, and

Todd Megrath with MGM Resorts. The public comments have been summarized in the minutes for the workshop. The comments were focused on the initial registration requirements, the annual compliance requirements and the ability to allow a parking structure to be included in the abatement awarded. Director Dykema requested that proposed language modifications to the regulation be submitted by close of business on December 7, 2018. Written comments and proposed modifications to the regulation submitted by the deadline were taken under consideration by the Governor's Office of Energy.

On November 9, 2018, the Director issued a Notice of Hearing and Notice of Intent to Act Upon a Regulation. The hearing was held on December 12, 2018 at the Governor's Office of Energy, 755 North Roop St. #202, Carson City, NV and teleconferenced to the Grant Sawyer Building, 555 E Washington Ave #5100, Las Vegas, NV. The Governor's Office of Energy took oral comments from the public and interested parties. Todd Megrath questioned whether a new development project could receive an abatement on a parcel that previously received an abatement for another project. Director Dykema reminded Mr. Megrath that the sub-parceling of an existing parcel to allow for a new construction and development project would be the appropriate route to receive a new abatement.

A copy of the written comments and the minutes which provide a summary of the oral comments made at each workshop and hearing are available for review at the Governor's Office of Energy, 755 N. Roop Street, Suite 202, Carson City, NV 89701. A recording of the workshop and hearing are also provided for review at the Governor's Office of Energy.

3. The number of persons who:

- (a) Attended each hearing:** December 12, 2018 - 3
- (b) Testified at each hearing:** December 12, 2018 - 1
- (c) Submitted written comments:** 5

4. A list of name and contact information, including telephone number, business address, business telephone number, electronic mail address, and name of entity or organization represented, for each person identified above in #3, as provided to the agency.

Kate Mona Nevada, Real Estate Division, 775-684-1904, krnorra@red.nv.gov

Jennifer Tucker, Griffin Company, 702-885-2522, jennifer@g3nv.com

Todd Megrath, MGM Resorts, 702-692-2106, tmegrath@mgmresorts.com

Jennifer Turchin, Coda Group, 702-795-2285, jennifer@codagroupinc.com

Vicki Worden, Green Building Initiative, 202-841-2999, vicki@thegbi.org

Suzaima Linfante, City of Reno, 775-334-2067, linfantes@reno.gov

Ron Reynoso, Ernst & Young, 818-929-4819, ron.reynoso@ey.com

Matthew Walker, Brownstein Hyatt Farber Schreck, LLP, 702-464-7071, mwalker@bhfs.com

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.

Public comment was solicited from affected business in the same manner as they were solicited from the public. See section #2.

A copy of the written comments and the minutes which provide a summary of the oral comments made at each workshop and hearing are available for review at the Governor's Office of Energy, 755 N. Roop Street, Suite 202, Carson City, NV 89701. A recording of the workshop and hearing are also provided for review at the Governor's Office of Energy. You may request a copy of either by contacting Robin Isaacs risaacs@energy.nv.gov.

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 permanent regulation was adopted on December 12, 2018; changes were made in response to the comments made at the workshop and language submitted following the workshop.

7. The estimated economic effect of the regulation on the business which it is to regulate and on the public. These must be stated separately, and in each case must include:

(a) Both adverse and beneficial effects on businesses and the public:

There are no adverse effects on businesses as this program awards a partial property tax abatement to businesses that obtain a certification from one of the adopted rating systems which is a benefit to those that participate.

The adverse effect on the public is the removal of tax income that the local governments would utilize to provide infrastructure and key positions to support the public.

(b) Both immediate and long-term effects on businesses and the public:

The immediate and long-term effect on businesses is the potential to receive a partial property tax abatement based on obtaining a certification from a green building rating system. This will decrease the annual amount that is paid in taxes by these businesses for up to ten years per abatement.

The immediate and long-term effect on the public is the removal of tax income that the local governments could receive to support the infrastructure and key positions within the communities.

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

There is no added cost to the agency for this amended regulation.

