

**LCB File No. R208-01**

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

**Fund for Energy Assistance and Conservation  
Weatherization Assistance Program**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

- I Purpose and Scope.*
- II Definitions*
- III Required Activities*
- IV Allocation of Funds*
- V Subgrantees*
- VI Allowable Uses of Funds*
- VII Fund Leveraging*
- VIII Application Process*
- IX Client Eligibility*
- X Client Assistance*
- XI Marketing and Outreach*
- XII Energy Audits*
- XIII Monitoring*
- XIV Reports*
- XV Recordkeeping*

**I.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

**Purpose and Scope**

It is the purpose of these regulations to implement a weatherization assistance program to increase the energy efficiency of dwellings owned or occupied by low-income persons to reduce their total residential energy expenditures and improve their health and safety. Weatherization assistance will be made available to eligible households in all areas of the state.

**II.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Definitions*

*“CAA” means a Community Action Agency.*

*“Capital-Intensive furnace or cooling efficiency modifications” means those major heating and cooling modifications which require a substantial amount of funds, including replacement and major repairs, but excluding such items as tune-ups, minor repairs, and filters.*

*“Children” means dependents not exceeding 6 years of age.*

*“Community Action Agency” means a private corporation or public agency established pursuant to the Economic Opportunity Act of 1964, Pub. L. 88-452, which is authorized to administer funds received from Federal, State, local, or private funding entities to assess, design, operate, finance, and oversee antipoverty programs.*

*“Disabled” means any individual who claims a physical or mental impairment severe enough to substantially limit gainful activity enjoyed by people of comparable age and opportunity, or that requires treatment or services which are lifelong or extended in duration and are individually planned. An individual does not have to be certified by or receiving compensation from a disability program to be considered disabled.*

*“Division” means the Nevada Housing Division.*

*“DOE” means the U. S. Department of Energy.*

*“Dwelling Unit” means a house, including a stationary mobile home, an apartment, a group of rooms, or a single room occupied as separate living quarters.*

*“Elderly Person” means a person who is 60 years of age or older.*

*“Energy Audit” means the process used to determine which weatherization measures are most cost effective in reducing a household’s energy consumption.*

*“Family Unit” means all persons living together in a dwelling unit.*

*“Fund(s)” means the Fund for Energy Assistance and Conservation (FEAC).*

*“Household” means any individual or group of individuals related or not related who are living at the same address and sharing a primary heating/cooling source. Relatives who reside in the same dwelling unit or share the same main heating/cooling source are not considered separate households.*

*“Local Applicant” means a CAA or other public or non profit entity or unit of general purpose local government.*

*“Low Income” means that income in relation to family size which is at or below 150 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.*

*“Multi Family Dwelling” means a housing unit with one or more walls attached to another living space.*

*“Reporting Period” means the state fiscal year beginning on July 1 and running through June 30 of the following calendar year.*

*“Rental Dwelling Unit” means a dwelling unit occupied by a person who pays rent for the use of the dwelling unit.*

*“Shelter” means a dwelling unit or units whose principal purpose is to house on a temporary basis, individuals who may or may not be related to one another and who are not living in nursing homes, prisons, or similar institutional care facilities.*

*“Single-Family Dwelling Unit” means a housing unit with all four sides of the unit exposed to the weather.*

*“State” means the State of Nevada.*

*“State Plan” means the Nevada Fund for Energy Assistance and Conservation State Plan developed by the Division and the Welfare Division on a yearly basis.*

*“Subgrantee” means an entity managing a weatherization project which receives funds awarded by the Nevada Housing Division.*

*“Universal Energy Charge funds” means those monies collected from retail customers of electricity and natural gas by the utility companies and remitted to Nevada’s Public Utility Commission as mandated by the 2002 Nevada legislature (Assembly Bill 661).*

### **III.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*The Housing Division shall:*

- a. Develop annual FEAC Plan;*
- b. Conduct annual evaluations of the program;*
- c. Solicit advice from the Nevada Public Utilities Commission on the program evaluation;*
- d. Prepare a report on the program by December 31st of each year. The report shall go to the Governor, the Legislative Commission, and the Interim Finance Committee. The report shall include:*
  - 1. A program description and objectives;*
  - 2. A review of program effectiveness and efficiencies;*
  - 3. A financial status report;*
  - 4. An analysis of coordination with the Welfare Division and Subgrantees;*
  - 5. Any planned changes for the program; and*
- e. Report to the Division’s Advisory Committee at regularly scheduled meetings.*

### **IV.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

#### *Allocation of Funds*

*The Housing Division shall receive 25% of the Universal Energy Charge (UEC) monies passed through to the Fund for Energy Assistance and Conservation (FEAC) administered by the State Welfare Division. The Housing Division will not use more than 6% of the Fund for administrative expenses.*

*The Division will award grants to local non-profit agencies (Subgrantees) to administer weatherization programs throughout the state. The state’s Subgrantees may not use more than 10% of the Funds awarded to them for administrative purposes. The Funds will be distributed (and assistance will be provided) in proportion to the manner (county) in which they were collected by the utility companies.*

**V.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Subgrantees*

*Subgrantees must be a CAA or other public or non-profit entity and will be selected on the basis of comment received at the public hearing for the state plan. Preference will be given to entities which have or currently administer an effective program.*

*Program effectiveness may include but is not limited to the following criteria:*

- a. The extent to which the past or current program achieved or is achieving weatherization goals in a timely manner;*
- b. The quality of work performed by the Subgrantees;*
- c. The number, qualifications and experience of staff members.*

**VI.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Allowable Use of Funds*

*The Division may use the Funds to pay for the following:*

- a. Consulting and program design;*
- b. Program outreach;*
- c. Improve energy efficiency and conservation;*
- d. Provide weatherization assistance;*
- e. Provide emergency assistance; and*
- f. Annual evaluations.*

**VII.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Fund Leveraging*

*The Division will, to the best of its abilities, leverage existing FEAC funding, including but not limited to the following sources:*

*DOE, Community Development Block Grants, CDBG, Housing Trust Funds, Housing and Urban Development HUD Funds, Housing Preservation Grants, landlord contributions, county funding, in-kind contributions or training and/or apprenticeship programs.*

**VIII.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Client Application Process*

*Persons interested in applying for assistance may apply through the Division's Subgrantees as stated in the annual FEAC State Plan. Subgrantees names, addresses, and telephone numbers will be available in the Division's offices and/or on its website.*

**IX.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Client Eligibility*

*To be eligible for assistance, each applicant must provide a utility bill indicating there is a UEC charge for their resident address for the month in which they are applying for assistance and meet one of the following household criteria:*

- a. Total household income is at or below 150% of the federal poverty income guidelines;*
- b. A household member is receiving assistance through the Low Income Energy Assistance Program;*
- c. A household member is receiving assistance through the Temporary Assistance for Needy Families (TANF) program;*
- d. A household member is receiving assistance through the Food Stamp program;*
- or*
- e. A household member is receiving Supplemental Security Income (SSI) assistance.*

**X.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Client Assistance*

*Client assistance will be based on and prioritized using the State's Weatherization Assistance Program's Eligibility Determination Worksheet form. Assistance is available to individuals residing in single and multi-family dwellings and mobile homes. The dwelling can be rented, owned, subsidized or non-subsidized. Priority is given to single family dwellings and households whose members are elderly persons (60 years old or older), disabled or contain children under the age of six. The highest*

*priority will be given to households requiring emergency assistance (those having inoperable or unsafe heating or cooling systems during respective seasons).*

*Dwelling units that are vacant, on the market for sale, in the process of being acquired, foreclosed or have received assistance during the five year period prior to the application, are not eligible for this assistance.*

**XI.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Marketing and Outreach*

*The Division will support and coordinate its outreach efforts with its Subgrantees, utility companies, local government agencies and the Welfare Division.*

**XII.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Energy Audits*

*An energy audit software program will be used to ensure the cost effectiveness of the weatherization measures being provided. The audit will be used to develop a list which prioritizes the weatherization measures based on the following factors: type and source of heating and cooling system, cost of energy, housing type, climatic region and the cost of the weatherization measures to be installed.*

**XIII.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Monitoring*

*The Division will monitor Subgrantees for compliance with program regulations, policy and procedures on an annual basis. The monitoring review is to ensure compliance with program requirements and financial expenditures. The Division will perform on-site inspections on at least 10% of the total number of units weatherized each year. The on-site inspections will ensure compliance with the Division's Weatherization Installation Standards and Policies and Procedures. The review will include a review of Subgrantee expenditures and compliance with generally accepted accounting principles.*

**XIV.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Reports*

*The Division shall provide and maintain the following reports:*

- a. Monthly Financial Status Reports (Division & Subgrantees);*
- b. Monthly Program (Production) Report (Subgrantees);*
- c. Annual Audit Reports (Division & Subgrantees);*
- d. Annual Program Evaluation.*

*The financial, program and audit reporting periods will begin July 1st of each year and extend through June 30th of the following year.*

**XV.**

**Chapter 58 of NAC is hereby amended by adding thereto the provisions set forth as sections of this regulation.**

*Recordkeeping*

*The Division is to maintain records which may include but are not limited to the following information for a period of six years:*

- a. Notice and Minutes of Public Hearing for Proposed State Plan;*
- b. State Plan;*
- c. Subgrantee Application;*
- d. Subgrantee Grant Awards;*
- e. Subgrantee Audit Reports;*
- f. Subgrantee Financial Status Reports (Monthly);*
- g. Subgrantee Monthly Program (Production) Report.*
- h. Monthly Client Information retained by the program's Subgrantees:*
  - 1. Application;*
  - 2. Eligibility Determination Worksheet;*
  - 3. Energy Audit Recommendations/Work Order;*
  - 4. Building Weatherization Report.*