

Informational Statement
LCB File No. R114-14

Pursuant to NRS 233B.066, this informational statement addresses the following:

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

The Nevada Housing Division of the Department of Business & Industry has proposed changes to the Nevada Administrative Code (NAC) Chapter 319 Assistance to Finance Housing, NAC 319.020 through 319.740, inclusive, regarding the Division's Tax Credit program (Program) and Financing Policies. The need for the adopted regulation is to

1. Improve the overall effectiveness and efficiency of the program,
2. Allow the Program to operate more efficiently with the governing Department of Treasury and Internal Revenue Service Internal Revenue Code § 42 and all other associated governing federal regulations, and
3. Align the program more with the structures of nationwide industry standards

2. A 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, notices of workshop and notices of intent to act upon the regulations were sent out for posting by electronic mail to all Department of Business and Industry and Nevada Housing Division (NHD) offices and the Nevada State Library and Archives. They were also made available on the Nevada Housing Division website at: http://housing.nv.gov/Public_Meetings/Public_Meetings_and_Hearings/

A Public Workshop was noticed on November 10, 2014, and held on December 5th at the NHD office at 1535 Old Hot Springs Road, suite 50 in Carson City. This was a video-conference workshop with the NHD office at 7220 Bermuda Road, Suite B in Las Vegas.

A Notice of Intent to Act upon the Regulations was noticed on December 5, 2015, and a public hearing was held on January 6, 2015 at the NHD office at 1535 Old Hot Springs Road, suite 50 in Carson City. This was a video-conference workshop with the NHD office at 7220 Bermuda Road, Suite B in Las Vegas.

A recording of the Public Workshop and Notice of Intent to Act upon the Regulations is on file at the Nevada Housing Division, 1535 Old Hot Springs Road, Carson City, Nevada 89706. Copies of these minutes may be obtained by written request to Attention Jenny Polek, Nevada Housing Division, 1535 Old Hot Springs Road, Carson City, Nevada 89706. The documents, minutes and audio recording of the workshop and hearing are also available on the Housing Division website at:

http://housing.nv.gov/Public_Meetings/Public_Meetings_and_Hearings/

3. The number of persons who attended each meeting or workshop, testified at each hearing, and submitted written statements regarding the proposed regulation:

(a) Attended each hearing;

Public Workshop:

- 3 people at the Carson City location; ○ 3 person at the Las Vegas location;
- 1 Person via telephone

Public Hearing:

- 3 people at the Carson City location;
- 1 person at the Las Vegas location.

(b) Testified at each hearing;

Public Workshop:

- 1 people testified at the Carson City location;
- 0 people testified at the Las Vegas location.

and

Public Hearing:

- 0 people testified at the Carson City location;
- 0 people testified at the Las Vegas location.

The list of participants is as follows:

Michael Holliday, NHD, 775-687-2062, mholliday@housing.nv.gov

CJ Manthe, NHD, 775-687-2046, cjmanthe@housing.nv.gov

Sharath Chandra, NHD, 702-486-7220, schandra@housing.nv.gov

Daigo Ishikawa, Nevada HAND, 702-410-2751, dishikawa@nevadahand.org

Jake Bailey, Nevada HAND, 702-410-2751, jbailey@nevadahand.org

Eric Novak, Praxis Consulting, 775-786-2006, eric@praxisreno.com

Fred Eoff, Public Financial Management, 206-264-8900, eoff@pfm.com

(c) Submitted to the agency written statements:

Comments were solicited using electronic mail and postings as described in both the Workshop and Hearing notices.

4. 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.

Comments were solicited from affected business by public notice and by email. A summary of their responses is included in item 2 above as well as an explanation of how interested persons may obtain a copy of the summary.

5. 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 changes to the proposed regulation arising from discussions with the development community.

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

(a) Estimated adverse and beneficial effects on the businesses which they are to regulate.

The proposed permanent regulations present no estimated adverse effects to low income housing tax credit production. The beneficial economic effects of these regulations are that the industry, along with the Department, will be enabled to more efficiently and effectively conduct this IRS program with lower financial and time costs.

(b) Estimated immediate and long-term effects.

The proposed regulations present both positive immediate and long-term effects. The positive effects are that the industry along with the Department will be enabled to more efficiently and effectively conduct this IRS program with lower financial and time costs—immediately and for the long-term.

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

The proposed permanent regulations present no significant, if any, estimated foreseeable or anticipated increased costs for application and enforcement. These changes will bring the program into greater alignment with IRS guidance and with the practice of states of similar size.

8. A description of any regulations of other State or governmental agencies which the regulation overlaps or duplicates and a statement explaining 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 regulations do not overlap or duplicate any regulation of other state or local governmental entities. The regulation, even after this proposed regulation is adopted, will not overlap and duplicate parts of a federal regulation of the Department of the Treasury and, more specifically, the Internal Revenue Service. It will keep intact certain areas the IRS has left open for states to address.

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

The Division is not aware of any provisions that are more stringent than a federal regulation that regulates the same activity.

10. 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.

The proposed regulations do not include new fees or increases in existing fees.