

**PROPOSED REGULATION OF THE DIRECTOR OF THE OFFICE OF ENERGY**

**LCB File No. R128-18**

**GREEN BUILDINGS: ELIGIBILITY FOR PARTIAL ABATEMENT OF PROPERTY TAXES**

**Section. 1** NAC 701A.010 is hereby amended to read as follows:

701A.010 As used in NAC 701A.010 to 701A.290, inclusive, unless the context otherwise requires, the words and terms defined in NAC ~~[701A.020]~~ **701A.030** to 701A.190, inclusive, have the meanings ascribed to them in those sections.

**Intent:**

Update the reference to the section in NAC.

**Sec. 2** NAC 701A.030 is hereby amended to read as follows:

701A.030 “Building or other structure” means an improvement on real property that is being considered for or has been granted certification by the ~~[U.S. Green Building Council]~~ **Green Building Certification Incorporation** or the Green Building Initiative. *The term does not include an improvement on real property the principal use of which is as a parking facility for vehicles.*

**Intent:**

1. Correct the name of the certifying entity from USGBC to GBCI.
2. Clarify that parking structures are not to be included in the square footage of the GBTA project even if the certifying rating system requires the square footage to be included in the certification process. The square footage of the parking structure is not to be included in the calculation of the partial tax abatement.

**Reasoning:**

1. USGBC developed the LEED rating system and GBCI is the entity that administers the program and provides the certification for the projects.
2. Parking structures have a separate rating system through GBCI, known as ParkSmart which has not been adopted by the GOE. Per NRS 701A.110, the Director is authorized to adopt a system that includes standards and ratings equivalent to LEED’s system, but since this is an agency rule, standard, directive or statement of general applicability which effectuates or interprets law or policy, the adoption of that system must be done through a regulation change. The GOE has reviewed other rating systems including ParkSmart and has decided not to pursue the adoption of a new rating system through the current regulation change.

**Sec. 3** NAC 701A.067 is hereby amended to read as follows:

701A.067 “Green Globes standard” means ~~[a standard for efficiency]~~ *the Green Globes Green Building rating system* developed by the Green Building Initiative and adopted for use in this State by the Director pursuant to NAC ~~[701A.213]~~ *701A.200*

**Intent:**

Update the definition of Green Globes and update the reference to the correct section in NAC.

**Sec. 4** NAC 701A.130 is hereby amended to read as follows:

701A.130 “LEED standard” means ~~[all versions of a specific rating system within]~~ the LEED Green Building Rating System, ~~[including, without limitation, LEED NC, LEED EB and LEED ES.]~~ *developed by the U.S. Green Building Council and administered by Green Building Certification Incorporation and adopted for use in this State by the Director pursuant to NAC 701A.200.*

**Intent:**

Update the definition of LEED standard and clarify that GBCI administers LEED.

**Sec. 5** NAC 701A.190 is hereby amended to read as follows:

701A.190 “Significant change in the scope of the project” means ~~±:~~

- ~~—1.— A change by more than 10 percent in the gross square footage of any building or other structure for which a partial tax abatement is sought;~~
- ~~—2.— A change in the level of certification under the applicable LEED standard or Green Globes standard being sought if the change will affect the amount of the partial tax abatement being sought; or~~
- ~~—3.— Any other change, including, without limitation, any change in the square footage or estimated costs of any building or other structure for which a partial tax abatement is sought, which will change the amount of the partial tax abatement being sought by more than 10 percent, except that changes resulting from increases in square footage, costs or any other factor affecting the amount of the partial tax abatement relating to the project as represented in the application therefor, including any amendments or disputed claims with a contractor or supplier relating to those costs, will not be considered a significant change in the scope of the project until they are reasonably final and known to the owner.]~~

*any change in the scope of a project which would result in a change in the duration or amount of the partial tax abatement being sought.*

**Intent:**

Simplify the definition of ‘Significant Change’.

**Reasoning:**

The Director would need to know if the changes affect the level or duration of the abatement only, regardless of what the change is.

Sec. 6 NAC 701A.200 is hereby amended to read as follows:

701A.200 1. ~~{The}~~ *Except as otherwise provided in NRS 701A.100, the* LEED Green Building Rating System ~~{is}~~ *and the Green Globes Green Building rating system are hereby adopted by reference* for use in this State with regard to certain buildings or other structures for the purposes of determining eligibility for partial tax abatements~~{,}~~ *pursuant to NRS 701A.110*

2. ~~{Except as otherwise provided in this subsection and NAC 701A.210:~~

~~{(a) The Director hereby adopts by reference all versions of the following LEED standards:~~

~~{(1) LEED-NC;~~

~~{(2) LEED-EB~~

~~{(3) LEED-CS.~~

~~{(b)}~~ If the U.S. Green Building Council adopts a new or updated version of ~~{a}~~ *the* LEED ~~{standard}~~ *rating system* after December 4, 2007, the Director will determine whether the new or updated version is appropriate for use in this State and, if the Director determines that the new or updated version:

~~{(1)}~~ (a) Is appropriate for use in this State:

~~{(1)}~~ (1) The new or updated version becomes effective on such a date as may be determined by the Director; and

~~{(2)}~~ (2) The Director will post a notice of approval, a copy of the new or updated version and the effective date thereof at the State Library, Archives and Public Records and the Office of Energy, and on the Internet website of the Office of Energy; or

~~{(2)}~~ (b) Is not appropriate for use in this State, the version of the LEED ~~{standard}~~ *rating system* that was most recently adopted by the Director or determined to be appropriate for use in this State pursuant to this subsection continues to be effective.

3. ~~[The Director will review, evaluate and consider new and updated versions of LEED standards at least once each year.]~~ *If the Green Building Initiative adopts a new or updated version of the Green Globes rating system after June 23, 2014 the Director will determine whether the new or updated version is appropriate for use in this State and, if the Director determines that the new or updated version:*

*(a) Is appropriate for use in this State:*

*(1) The new or updated version becomes effective on such a date as may be determined by the Director; and*

*(2) The Director will post a notice of approval and the effective date thereof at the State Library, Archives and Public Records and the Office of Energy, and on the Internet website of the Office of Energy; or*

*(b) Is not appropriate for use in this State, the version of the Green Globes rating system that was most recently adopted by the Director or determined to be appropriate for use in this State pursuant to this subsection continues to be effective.*

4. A copy of the LEED ~~[Green Building]~~ Rating System is available free of charge on the Internet website of the U.S. Green Building Council.

*5. A copy of the Green Globes Rating System is available free of charge on the Internet website of the Green Building Initiative.*

**Intent:**

1. Update the language to identify that the most recent version of the green building rating systems under both LEED and Green Globes is adopted pursuant to the provisions in NRS 701A.100.
2. Remove reference to specific rating systems under LEED; not all rating systems within the most recent version are eligible to apply for the abatement based on provisions within NRS 701A.100 disallowing homes. The Director will need to review both the new or updated versions and new or updated rating systems within that version.
3. Move language within NAC 701A.213 into this section combining both standards into one section of regulation.

**Reasoning:**

1. Clean up language to include Green Globes within this section of NAC and modify the language appropriately.
2. LEED and Green Globes are green building rating systems, the most recent version is reviewed and adopted for use by the Director. Not all rating systems within the version will be adopted pursuant to the provisions in NRS 701A.100-110.
3. Per NRS we also must disclose the price and where to locate the newly adopted standards.

**Sec. 7.** NAC 701A.217 is hereby amended to read as follows:

701A.217 For the purposes of determining whether a building or other structure is eligible for a *partial* tax abatement pursuant to NRS 701A.110 and NAC 701A.010 to 701A.290, inclusive:

1. A rating of two globes under ~~[a]~~ *the* Green Globes ~~[standard]~~ *rating system* shall be deemed to be equivalent to the silver level of the LEED ~~[Green Building]~~ rating system.
2. A rating of three globes under ~~[a]~~ *the* Green Globes ~~[standard]~~ *rating system* shall be deemed to be equivalent to the gold level of the LEED ~~[Green Building]~~ rating system.
3. A rating of four globes under ~~[a]~~ *the* Green Globes ~~[standard]~~ *rating system* shall be deemed to be equivalent to the platinum level of the LEED ~~[Green Building]~~ rating system.

**Intent:**

Update language to be consistent with overall changes on rating system vs standard.

**Sec. 8.** NAC 701A.220 is hereby amended to read as follows:

701A.220 1. *An owner or applicant on behalf of the owner* ~~[person]~~ who, with respect to a ~~[construction]~~ project involving a building or other structure, wishes to apply to the Director pursuant to this chapter and NRS 701A.110 for a partial tax abatement must, ~~[if the certification of the building or other structure:~~

~~(a) Will be based on LEED NC, LEED CS or GG NC,]~~ *within 120 days after registering the project with the Green Building Certification Inc., or the Green Building Initiative, as applicable,* submit ~~[an application]~~ to the Office of Energy *a completed registration application* on a form prescribed by the Director ~~[within 120 days after receiving local government approval of the construction project; or~~

~~(b) Will be based on a LEED standard other than LEED NC or LEED CS or based on GG-CIEB, submit an application to the Office of Energy on a form prescribed by the Director within 120 days after registering the project with the U.S. Green Building Council or the Green Building Initiative, as applicable.]~~ *and such documentation as the Director may require to determine whether the project is eligible for the partial tax abatement.*

2. ~~[The application must include:~~

~~—(a) The name, address and telephone number of the applicant;~~

~~—(b) The name and address of the owner of the affected real property, if the applicant is not the owner;~~

~~—(c) The address of the real property;~~

**Intent:**

1. Update language to be consistent with overall changes.
2. Require the completed registration application and the documents requested to be submitted within 120 days of registering the project with GBCI or GBI. This will make the requirement the same for new construction and existing building, the logical point of notification to the GOE in either type project would be at the time of registering with either rating entity.

**Reasoning:**

1. Clean up language.
2. The requirement to have the projects registered with GOE within 120 days of registering a project with either rating entity will eliminate the need to register a new construction within 120 days of 'local government approval' and allow the new construction projects to have the same requirements as the existing building projects.

~~—(d) The address of the board of county commissioners of the county in which the real property is located;~~

~~—(e) If the real property is located in a city, the name and address of the city manager and the address of the city council, if any, of that city;~~

~~—(f) Any project title associated with the development or modification of the real property;~~

~~—(g) For each building or other structure included within the construction project:~~

~~——(1) The estimated gross square footage and number of floors of the building or other structure;~~

~~——(2) The proposed use of the building or other structure;~~

~~——(3) The estimated cost of the design and construction or retrofit, and maintenance and operation, of the building or other structure;~~

~~——(4) The actual or estimated date of the start of the construction or retrofit;~~

~~——(5) The expected date of occupancy of the building or other structure;~~

~~——(6) If applicable, a copy of each executed preconstruction or construction contract the applicant is relying upon to qualify as a pre-2007 applicant;~~

~~——(7) Proof that the building or other structure has been registered with the U.S. Green Building Council or the Green Building Initiative, as applicable;~~

~~——(8) The applicable LEED standard or Green Globes standard on which the certification of the building or other structure will be based;~~

~~——(9) A statement containing the level or rating and number of points of the applicable LEED standard or Green Globes standard at which the applicant expects the building or other structure to be certified, in the form of a checklist identifying the specific credits or points that~~

~~the project team intends to achieve under the applicable LEED standard or Green Globes standard;~~

~~— (10) A statement whether any funding for the acquisition, design or construction of the building or other structure, and associated land, is being provided by a governmental entity in this State;~~

~~— (11) A list of all sources of funding for the acquisition, design, construction or renovation of the building or other structure, and associated land, provided by a governmental entity in this State; and~~

~~— (12) A statement whether the building or other structure is receiving or is expected to receive any other abatement or exemption pursuant to NRS 361.045 to 361.159, inclusive, or chapter 701A of NRS from the taxes imposed on real property by chapter 361 of NRS;~~

~~— (h) The name and contact information of the professional accredited by the U.S. Green Building Council or the Green Building Initiative and assigned to the design team for the project or other person designated as the contact person on the application;~~

~~— (i) A statement whether the building or other structure, or any part thereof, is or is expected in the future to be exempt from the taxes imposed on real property by chapter 361 of NRS pursuant to any provision of law other than NRS 361.045 to 361.159, inclusive, or chapter 701A of NRS;~~

~~— (j) A list of any improvements in the project that are not expected to be considered for certification under the applicable LEED standard or Green Globes standard;~~

~~— (k) If the project is registered with the U.S. Green Building Council or the Green Building Initiative in a campus or multibuilding setting, a list of the buildings or other structures on the affected real property and the construction phases of each building or other structure;~~

~~— (l) A copy of the local government approval of the construction project; and~~

~~— (m) Any other information requested by the Director.~~

Upon receipt of *the completed registration application and* all ~~[information]~~ *documentation* required ~~[by this section]~~ *pursuant to subsection 1 and 3, and upon determining that the project is eligible for a partial tax abatement and issuing the submitted project a project registration number*, the Director will ~~[-~~

~~(a) Notify the applicant in writing acknowledging that the application has been received; and~~  
~~— (b) In accordance with the provisions of NRS 701A.110,] forward a copy of the application and the application approval [and the written notification provided to the applicant] to the [-~~

- ~~— (1) Chief of the Budget Division of the Office of Finance;~~
- ~~— (2) Department of Taxation;~~
- ~~— (3) County assessor;~~
- ~~— (4) County treasurer;~~
- ~~— (5) Board of county commissioners;~~
- ~~— (6) City manager and city council, if any; and~~
- ~~— (7) Office of Economic Development.]~~ *owner or applicant on behalf of the owner and the persons and entities described in subparagraph (3) of paragraph (b) of subsection 1 of NRS 701A.110.*

**Intent:**

1. Clarify that the Director will proceed upon receipt of all documentation and the prescribed form. Also clarifies that once the project has been reviewed a project registration number will be issued if it is eligible for the partial abatement.
2. Clarify that the application approval and the application will be sent to all parties included in NRS 701A.110(1)(b)(3) once the project registration number has been issued and the project has been reviewed.

**Reasoning:**

1. Clarify when the Director will proceed with registering the project.
2. Clarify who will receive a copy of the application and approval of the application once the Director determines the project may be eligible for a partial property tax abatement.

3. ~~[The]~~ *In addition to any other requirement set forth in this section, the owner or applicant on behalf of the owner must:*

(a) Identify any information included in the application which the *owner or applicant on behalf of the owner* considers to be confidential; ~~[and]~~

(b) *If the owner or applicant on behalf of the owner is applying for a partial tax abatement with respect to a retrofit or improvement project involving an existing building or other structure, submit with the registration application such information and documentation as is necessary to demonstrate that the building or other structure does not currently qualify for any level of certification under the LEED rating system or the Green Globes rating system; and*

(c) Promptly amend the application if there is a significant change in the scope of the project.



**Intent:**

The GOE wishes to comply with the intent of the program and incentivize improvements on a prospective basis.

**Reasoning:**

Disallows projects that currently could obtain a certification from one of the rating systems, allowing the GOE to incentivize projects based on prospective improvements to the project to obtain the certification.

*(d) Utilize an independent third-party to facilitate the energy model, commissioning report or energy audit, as applicable, and provide a copy of the appropriate report with the registration application. The applicant must submit to the Director with the applicant's application for a certificate of eligibility submitted pursuant to NAC 701A.240 a copy of an updated report identifying the improvements that were implemented between the time of registration and the submission of the applicant's application for a certificate of eligibility.*

**Intent:**

1. Updates current language that was found in NAC 701A.210 to requires the use of an independent third party to facilitate the appropriate report for the type of project being certified. An energy model would be used in the beginning of a new construction project to determine the appropriate percentage of improvement over the baseline, a commissioning report is done once the project has been finished to ensure that the mechanical systems are functioning as designed, and an energy audit is done on an existing building in order to determine where the project currently is with its energy use, and what can be done in order to improve the efficiency of the project.
2. Requires the submission of the appropriate report with the registration application and an updated report with the certificate of eligibility application which should show the improvements that were implemented between the time of registration and COE.

**Reasoning:**

1. Clean up language regarding the type of report should be facilitated for the different projects. Requires the same types of reports for both a LEED and GG project.
2. Upon the submission of an initial report and an updated report, the GOE can more accurately determine at the registration stage if the project will qualify for the abatement and then confirm the measures implemented at the issuance of the partial abatement.

*(e) If an applicant is seeking to qualify for a partial tax abatement under the Green Globes rating system, the applicant must utilize a ~~third-party~~ assessor, ~~assigned by the Green Building Initiative~~, to review and verify the information submitted by the applicant and approve the project for the purpose of obtaining certification by the Green Building Initiative. The applicant must submit to the Director with the applicant's registration application the initial green globes assessor report and submit with the applicant's application for a certificate of eligibility submitted pursuant to NAC 701A.240 a copy of the final report and findings of the assessor as the result of the assessment conducted pursuant to this subsection.*

**Intent:**

Updates current language that was found in NAC 701A.210 to require the use of Green Globes assigned third party assessor to verify the information submitted to approve the project for a certification and requires the submission of the initial assessment report with the registration application and submission of the final report with the COE application.

**Reasoning:**

Upon the submission of an initial report and an updated report, the GOE can more accurately determine at the registration stage if the project will qualify for the abatement and then confirm the measures implemented at the issuance of the partial abatement.

4. The Director will not accept ~~[an]~~ *a registration* application pursuant to this section for a building or other structure that on the date the *registration* application is *submitted* ~~[registered]~~ has: ~~been issued a certificate of occupancy and has~~

~~(a) been certified by the [U.S. Green Building Council] Green Building Certification Inc., or the Green Building Initiative[.];~~

*(b) qualifies for any level of certification under the LEED rating system or the Green Globes rating system.*

*5. The Director will not register a project that has not submitted a complete registration package including any items identified as missing from the original submission if the complete registration application and all required documentation is not submitted within 30 days of initial submission.*

**Intent:**

1. Removes the certificate of occupancy restriction.
2. Restricts the potential partial abatements to projects that cannot currently qualify for any level of certification under one of the rating systems.
3. Provides a 30-day deadline to submit any identified items that were not included in the original submission of the registration application package.

**Reasoning:**

1. There is no logical need to have a restriction based on the certificate of occupancy being issued.
2. Restricting abatements to only projects that cannot currently qualify allows the GOE to incentivize projects for improvements implemented on a prospective basis.
3. When a registration package is submitted, and items are identified as missing, the GOE will allow for a 30-day period to submit the required items. If the items are not submitted within that 30 days, the project will be notified that it is no longer eligible for the partial abatement and must submit an entirely new package.

*6. The Director will not grant:*

*(a) More than one partial tax abatement per parcel;*

*(b) A partial tax abatement on a parcel which was previously subject to a partial tax abatement;*

*(c) More than one partial tax abatement on a building or other structure, even if the building or other structure occupies more than one parcel; and*

*(d) A partial tax abatement on a building or other structure which was previously subject to a partial tax abatement.*

*7. The Director may deny a registration application submitted pursuant to this section for any failure to comply with the provisions of this chapter.*

**Intent:**

1. Eliminates the approval of more than one abatement per parcel.
2. Eliminates the potential for a parcel to receive an abatement repeatedly after the initial expiration.
3. Eliminates the approval of more than one abatement per building or structure.
4. Eliminates the potential for a building to receive an abatement repeatedly after the initial expiration.
5. Provides the Director the discretion of denying a partial abatement for any failure to comply with the requirements of the regulation.

**Reasoning:**

1. Awarding more than one tax abatement per parcel or building is allowing owners to submit projects separated by self-directed boundary lines and receive more than one abatement. The existing building abatements cap out at \$100,000.00, awarding 4 abatements on one parcel where the building is all connected is allowing the owner to circumvent the intent and receive more of an abatement than allowed in NRS 701A.110(6).
2. Clarifies that once a parcel has received an abatement in the past, it can no longer qualify for an abatement in the future.
3. Clarifies that only one abatement will be awarded per building and multiple abatements can no longer be awarded.
4. Restricts the partial abatement to only new projects, not allowing the project to receive a continuous abatement. This will cover the projects that have been deemed 'equivalent' by GOE but never received an actual certification from USGBC and disallow those from also reapplying for the abatement.
5. Allows the Director to deny an application that does not comply with all of the requirements of the regulation and prescribed forms.

**Sec. 9.** NAC 701A.225 is hereby amended to read as follows:

701A.225 1. An applicant shall pay to the Director a fee in the amount ~~{of \$1,750}~~ *established by the Director* for the review and approval of ~~{an}~~:

*(a) A registration application submitted pursuant to NRS 701A.110 ~~{and}~~ and NAC 701A.220;*

*and*

*(b) An application for a certificate of eligibility submitted pursuant to NAC 701A.240*

2. An applicant shall pay the ~~{fee}~~ *fees required by subsection 1* concurrently with the submission of ~~{his or her}~~ *the applicable* application ~~{}~~ *or form*. The Director will not approve an application *or form* for which the fee has not been timely paid pursuant to this subsection.

~~{2.}~~ 3. The Director will ~~{review}~~ :

(a) *Establish the amount of each fee required by subsection 1 in an amount that is sufficient to reimburse the actual cost to the Office of Energy of carrying out the duties described in subsection 1.*

(b) *Review* each fee ~~{prescribed}~~ *required* by subsection 1 on or before December 31 of each even-numbered year to ensure that the amount of the fee reflects the actual cost to the Office of Energy in carrying out the duties described in subsection 1.

~~{3.}~~ 4. The fees collected pursuant to subsection 1 must be deposited by the Director into an interest-bearing account. The money deposited pursuant to this subsection and any interest earned on such money must be used only to pay the costs incurred by the Office of Energy in carrying out the duties described in subsection 1.

**Intent:**

Remove actual dollar amount of fee as each separate fee will be identified on the prescribed forms.

**Reasoning:**

Separate fees and require them to be due with each submission so that the fees are reflective of the part of the process that is being paid for. Upon registration pay \$750, and upon determining eligibility \$1,000.

Currently the fee is \$1750 which covers the registration and the initial determination. The total fee is collected up front and if the project never proceeds, the GOE is collecting a fee for a part of the process that was never actually performed. The new proposed way of charging and collecting the fees would be more in line with NRS 701A.110(11).

**Sec. 10.** NAC 701A.240 is hereby amended to read as follows:

701a.240 1. Within 48 months after ~~{an}~~ *a registration* application for a partial tax abatement is submitted to the Director pursuant to NAC 701A.220, or within such time as the Director, for good cause shown, extends the deadline, the applicant must submit to the Director:

(a) *An application for a certificate of eligibility on a form prescribed by the Director. The application must be accompanied by:*

(1) *If the applicant is seeking a certificate of eligibility with respect to a retrofit or improvement project involving an existing building or other structure, all invoices reflecting the cost of improvements to the existing building or other structure;*

**Intent:**

Requires the submission of invoices reflecting the cost of improvements to incentivize improvements on existing buildings on a prospective basis.

**Reasoning:**

GOE wishes to incentivize current improvements on existing buildings, not award tax abatements to buildings that already meet the minimum requirements based on past improvements.

(2) Proof that the building or other structure:

~~[(1)]~~ (I) Meets the silver level or higher of the LEED ~~[Green Building]~~ rating system ~~[adopted by the Director pursuant to NAC 701A.200;];~~ or

~~[(2)]~~ (II) Obtains a rating of two globes or higher under ~~[a]~~ *the* Green Globes ~~[standard]~~ ~~[adopted by the Director pursuant to NAC 701A.213; or]~~ *rating system; and*

(3) *Such other documentation as the Director may require to determine whether the applicant is eligible for the partial tax abatement; or*

(b) An application to extend the period for ~~[providing such proof.]~~ *submitting the information and documentation required by paragraph (a).*

2. If an applicant has not ~~[submitted the proof or an application for extension required by]~~ *complied with the requirement of* subsection 1, the Director will consider the application abandoned and notify the ~~[-~~

~~—(a) Applicant;~~

~~—(b) Chief of the Budget Division of the Office of Finance;~~

~~—(c) Department of Taxation;~~

~~—(d) County assessor;~~

~~—(e) County treasurer;~~

~~—(f) Board of county commissioners;~~

~~—(g) City manager and city council, if any; and~~

~~—(h) Office of Economic Development.~~ *applicant and the persons and entities described in subparagraph (3) of paragraph (b) of subsection 1 of NRS 701A.110.*

**Intent:**

Update language to be consistent with changes regarding rating system vs standard. Remove redundant language already part of NRS 701A.110(3)

3. *If an applicant submits a separate registration application pursuant to NAC 701A.220 for one or more buildings or other structures that are part of a single, cohesive property with a single shared primary function, the number of points awarded under the LEED rating system or Green Globes rating system, as applicable, to each building or other structure for which a separate registration application is submitted:*

- (a) Must be calculated using an energy score for that building or other structure; and*
- (b) Must not be calculated using an energy score for the entire project.*

**Intent:**

Eliminate the ability to include inefficient buildings or structures into a project to achieve the desired energy points. Requires the points achieved to be specific to that building or structure.

**Reasoning:**

Since the beginning of the program, the use of a campus-wide energy score has been allowed for multiple projects. The separate projects share the same functions and subsequently achieve the same energy score. This has allowed for one building, separated only by invisible boundary lines, to be submitted as four separate projects and be awarded four separate partial tax abatements for a total tax abatement of \$400,000 rather than \$100,000 which was the cap put in place by the Legislature for existing buildings.

4. If the Director, after reviewing the ~~{proof}~~ *information and documentation* submitted by the *owner or* applicant *on behalf of the owner*, ~~{pursuant to subsection 1,}~~ concludes that the building or other structure is eligible for a partial tax abatement, the Director will, not later than 120 days after receiving that ~~{proof,}~~ *information and documentation*, issue a certificate of eligibility for the abatement and provide a copy to the ~~};~~

~~—(a) Applicant;~~

~~—(b) Chief of the Budget Division of the Office of Finance;~~

- ~~—(c) Department of Taxation;~~
- ~~—(d) County assessor;~~
- ~~—(e) County treasurer;~~
- ~~—(f) Board of county commissioners;~~
- ~~—(g) City manager and city council, if any; and~~
- ~~—(h) Office of Economic Development.~~

~~4.] owner or applicant on behalf of the owner and the persons and entities described in subsection 3 of NRS 701A.110.~~

**Intent:**

Update language to be consistent with what is being submitted and remove redundant language already part of NRS 701A.110(3).

5. The certificate of eligibility will include the duration and annual percentage of the partial tax abatement as provided in NAC 701A.280 and subsection 5 of NRS 701A.110, and identify each building or other structure to which the abatement should be applied. The Director may indicate that the abatement should be applied to an ancillary structure if the ancillary structure was specified in the application. The Director will include as part of the certificate of eligibility his or her findings of fact, conclusions of law and order explaining the reasons for issuing the certificate.

~~{5.]~~ 6. If the Director, after reviewing the ~~{proof}~~ *information and documentation* submitted by the applicant, ~~{pursuant to subsection 1,}~~ concludes that the building or other structure is not eligible for a partial tax abatement, the Director will, not later than 120 days after receiving that ~~{proof,}~~ *information and documentation*, issue a certificate of ineligibility for the abatement and provide a copy to the ~~{:~~

- ~~—(a) Applicant;~~
- ~~—(b) Chief of the Budget Division of the Office of Finance;~~
- ~~—(c) Department of Taxation;~~
- ~~—(d) County assessor;~~
- ~~—(e) County treasurer;~~
- ~~—(f) Board of county commissioners;~~
- ~~—(g) City manager and city council, if any; and~~
- ~~—(h) Office of Economic Development.~~



~~§~~ *owner or applicant on behalf of the owner and the persons and entities described in subsection 3 of NRS 701A.110.* The Director will include as part of the certificate of ineligibility his or her findings of fact, conclusions of law and order explaining the reasons for issuing the certificate of ineligibility.

**Intent:**

Update language to be consistent with what is being submitted and remove redundant language already part of NRS 701A.110(3).

~~6.1~~ 7. If a certificate of eligibility is issued:

(a) On or after July 1 and on or before March 31 of a fiscal year, the abatement becomes effective on July 1 of the immediately following fiscal year. The Director will not issue a certificate of eligibility on or before March 31 of a fiscal year with respect to an application that is not submitted to the Director on or before ~~February~~ *December* 1 of that fiscal year.

(b) On or after April 1 and on or before June 30 of a fiscal year, the abatement becomes effective on July 1 of the fiscal year next following the immediately following fiscal year.

~~7.1~~ 8. A certificate of eligibility or a certificate of ineligibility issued pursuant to this section is a final order of the Director for purposes of judicial review.

**Intent:**

Update the final submission deadline for the following fiscal year award to December instead of February to stay consistent with the 120-day time frame already identified in NAC 701A.240(3)

**Sec. 11.** NAC 701A.260 is hereby amended to read as follows:

701A.260 1. ~~[The Director may require an applicant who has been issued~~ *After* a certificate of eligibility *has been issued* pursuant to NAC 701A.240 ~~[for the tax abatement coordinator for a building or other structure to which the certificate of eligibility relates to submit to the Director on an annual or other reasonable basis such information as the Director requires to determine whether the parcel on which the building or other structure is located is receiving another abatement or exemption pursuant to NRS 361.045 to 361.159, inclusive, or chapter 701A of NRS from the taxes imposed on real property by chapter 361 of NRS.]~~ *and until the term of the abatement expires, the owner, or the applicant on behalf of the owner, of the building or other structure to which the certificate of eligibility relates shall annually, on or before the*

*anniversary date of the issuance of the certificate of eligibility, submit to the Director a determination of eligibility form and all requested documentation and information requested, and beginning on the second year of the abatement and until the term of the abatement expires, include an energy efficiency report with the annual reporting. The form and energy efficiency report must contain such information and be accompanied by such supporting documentation as the Director may require to determine whether the building or other structure to which the certificate of eligibility relates continues to be eligible for the partial tax abatement to which the certificate of eligibility relates. The energy efficiency report will consist of a retro-commissioning report and an energy audit.*

*The project may be exempt from submitting the energy efficiency report beginning on year 3 of the partial tax abatement, if the project can demonstrate that it has achieved an Energy Star Rating of 85 or above or provide an equivalent rating if one cannot be determined within Energy Star.*

**Intent:**

1. Mandate that each project must annually submit a prescribed form and documentation to determine continuous eligibility for the abatement.
2. Mandate that each project must also submit an energy efficiency report starting on the second year of the abatement and then annually thereafter. The energy efficiency report will consist of a retro-commissioning report to show that the mechanical systems of the building are still operating as designed and an energy audit which shows what measures have been implemented and what measures could still be implemented to further increase the efficiency of the building.
3. Identifies that a project can be exempt from submitting the energy efficiency report beginning on the 3<sup>rd</sup> year if the project can demonstrate that it either received an energy star score of 85 or an equivalent rating of 85 if one cannot be determined through energy star.

**Reasoning:**

1. Annual reporting will confirm that the project is still in compliance with the original terms of the abatement. Requiring a prescribed form creates uniformity in the submission of the information needed and captures the data that confirms compliance.
2. The energy efficiency report allows the GOE to rely on the expertise of a third party performing the retro-commissioning and an energy audit instead of just the data provided by the applicant.
3. If the applicant can demonstrate that they are receiving a pre-determined energy star score of 85 or an equivalent score, then the energy efficiency report is not required beginning on the 3<sup>rd</sup> year.

2. *If, after reviewing the information and documentation submitted pursuant to subsection 1, the Director determines that the building or other structure continues to qualify for the level of certification for which the partial tax abatement was issued, the Director will provide an acknowledgement of that continued qualification to the owner or applicant on behalf of the owner and the persons and entities described in subsection 3 of NRS 701A.110.*

**Intent:**

Identifies that the GOE will notify all agencies and parties of the continued abatement.

3. After a certificate of eligibility has been issued pursuant to NAC 701A.240, the tax abatement coordinator for a building or other structure to which the certificate of eligibility relates~~§~~:

~~(a) Shall:~~

~~—— (1) } shall~~

~~(a)~~ Notify the Director if the building or other structure is sold during the term of the partial tax abatement; and

~~{(2)}~~ ~~(b)~~ Provide the buyer of the building or other structure with written notice of the certificate of eligibility and a copy of the statutes and regulations regarding the owner's rights and responsibilities relating to the certificate of eligibility. ~~‡~~

~~—— (b) Must submit to the Director as prescribed in subsection 3:~~

~~—— (1) Documentation of energy performance which indicates the pertinent ENERGY STAR rating or equivalent ENERGY STAR rating, annual energy reduction, annual summer peak demand reduction and, if the applicant for that certificate of eligibility:~~

~~—— (I) Qualified as a pre-2007 applicant, compliance with the requirements for the LEED Green Building Rating System Energy and Atmosphere Prerequisite 2 (Minimum Energy Performance); or~~

~~—— (II) Did not qualify as a pre-2007 applicant, compliance with the requirements of the LEED Green Building Rating System or a Green Globes standard, as applicable;~~

~~—— (2) A summary of the annual utility bills, including the amount of cost and usage, for each type of energy used by the building or other structure;~~

~~—— (3) A summary of the annual water bills, including the amount of cost and usage, for the building or other structure; and~~

~~— (4) Any other documentation that, in the judgment of the Director, demonstrates compliance with the LEED Green Building Rating System or a Green Globes standard, as applicable; and~~

~~— (c) Must submit to the Director as prescribed in subsection 3 written recertification from a third party commissioning firm or third party assessor, as applicable, stating that the energy systems of the building or other structure are still operating in general compliance with the original project requirements, with particular focus and emphasis on certifying that the energy conservation measures upon which the original certificate of eligibility was based are still being achieved. The third party commissioning firm or third party assessor, as applicable, providing the recertification letter should typically be the same firm or assessor that provided the original fundamental building systems commissioning or assessment or existing building commissioning or assessment services on the project.~~

~~— 3. The documentation required by:~~

~~— (a) Paragraph (b) of subsection 2 must be submitted on or before March 15 of the third and each subsequent year after the certificate of eligibility was issued.~~

~~— (b) Paragraph (c) of subsection 2 must be submitted within 60 days after the end of the:~~

~~— (1) Third year after the certificate of eligibility was issued if the duration of the partial tax abatement is 5 or 6 years;~~

~~— (2) Third and fifth years after the certificate of eligibility was issued if the duration of the partial tax abatement is 7 or 8 years; and~~

~~— (3) Third, fifth and seventh years after the certificate of eligibility was issued if the duration of the partial tax abatement is 9 or 10 years.~~

**Intent:**

Removes the language which will be on the prescribed annual determination form and provided by the energy efficiency report along with the annual benchmarking data.

**Reasoning:**

Cleaning up language and reporting requirements.

4. Upon determining that the parcel on which the building or other structure is located is receiving another abatement or exemption pursuant to NRS 361.045 to 361.159, inclusive, or chapter 701A of NRS from the taxes imposed on real property by chapter 361 of NRS, the

Director will notify the owner of the building or other structure and the Department of Taxation in writing that the certificate of eligibility relating to the building or other structure has been suspended, and indicate the term of the suspension.

5. Upon determining that the building or other structure may have ceased to qualify for the level of certification for which the partial tax abatement was issued, or that the owner of the building or other structure may have failed to comply with any conditions imposed by the Director in issuing the partial tax abatement, the Director will notify the owner of the building or other structure of the findings of the Director and provide the owner a reasonable opportunity to cure any noncompliance issues included in the findings. If the owner fails to cure the noncompliance issues within the time or in accordance with the terms provided by the Director, the Director will issue a certificate of termination or reduction of eligibility, including his or her findings of fact, conclusions of law and order, which declares that the building or other structure has ceased to meet the standard upon which the certificate of eligibility was based, specifies the areas of noncompliance, and terminates the partial tax abatement or reduces the partial tax abatement to the level of certification for which the building or other structure qualifies. The Director will provide a copy of the certificate of termination or reduction of eligibility to the ~~the~~

- ~~— (a) Owner of the building or other structure;~~
- ~~— (b) Chief of the Budget Division of the Office of Finance;~~
- ~~— (c) Department of Taxation;~~
- ~~— (d) County assessor;~~
- ~~— (e) County treasurer;~~
- ~~— (f) Board of county commissioners;~~
- ~~— (g) City manager and city council, if any; and~~
- ~~— (h) Office of Economic Development.~~ *Owner or applicant on behalf of the owner, of the building or other structure and the persons and entities described in paragraph (b) of subsection 7 of NRS 701A.110.*

6. A certificate of termination or reduction of eligibility issued pursuant to this section is a final order of the Director for purposes of judicial review.

7. For the purposes of this section:

(a) On or before the date of submission to the Director of proof that a building or other structure meets the equivalent of the silver level or higher of the LEED ~~{Green Building}~~ rating system or the rating of two globes or higher under ~~{a}~~ *the Green Globes ~~{standard}~~ rating system*, the *owner or* applicant *on behalf of the owner* for a partial tax abatement shall designate a tax abatement coordinator for the building or other structure, and submit the name and address of the tax abatement coordinator to the Director; and

**Intent:**

Update language regarding rating system vs standard and remove redundant language already part of NRS 701A.110

(b) Within 60 days after:

(1) The sale or other transfer of ownership of the building or other structure during the term of the partial tax abatement, the purchaser or other transferee shall designate a tax abatement coordinator for the building or other structure, and submit the name and address of the tax abatement coordinator to the Director; and

(2) The designation of any successor tax abatement coordinator for the building or other structure during the term of the partial tax abatement, the successor shall submit his or her name and address to the Director.

**Sec. 12.** NAC 701A.280 is hereby amended to read as follows:

701A.280 1. If the Director issues a certificate of eligibility pursuant to NAC 701A.240 for a building or other structure *that registered with the Director as a new construction project and* that meets the equivalent of the silver level or higher under the LEED *rating system*, ~~{standard for LEED NC or LEED CS,}~~ or ~~{that meets}~~ the equivalent of the rating of two globes or higher under the Green Globes ~~{standard}~~ *rating system*, ~~{for GG NC,}~~ the Director will set the duration of the partial tax abatement for the building or other structure based upon the number of points awarded by the ~~{U.S. Green Building Council}~~ *Green Building Certification Inc.*, or Green Building Initiative, as applicable, for energy conservation in the Optimize Energy Performance credit or Energy Performance section under the ~~{applicable}~~ LEED ~~{standard}~~ *rating system* or Green Globes ~~{standard}~~ *rating system, as applicable*, as provided in the following table:

**Intent:**

Update language to be consistent with NAC 701A.200 and 701A.220

LEED or Green Globes Certification Level	5-6 points in the Optimize Energy Performance credit category (LEED) or <del>28-35</del> <del>32-39</del> points in the Energy Performance section (Green Globes)	<del>7-10</del> points in the Optimize Energy Performance credit category (LEED) or <del>36-39</del> <del>40-55</del> points in the Energy Performance section (Green Globes)	<i>8-10 points in the Optimize Energy Performance credit category (LEED) or 40-51 points in the Energy Performance section (Green Globes)</i>	11-12 points in the Optimize Energy Performance credit category (LEED) or <del>52-63</del> <del>56-63</del> points in the Energy Performance section (Green Globes)	13-14 points in the Optimize Energy Performance credit category (LEED) or <del>64-75</del> <del>71</del> points in the Energy Performance section (Green Globes)	15-16 points in the Optimize Energy Performance credit category (LEED) or <del>76-91</del> <del>72-79</del> points in the Energy Performance section (Green Globes)	17-21 points in the Optimize Energy Performance credit category (LEED) or <del>80</del> <del>92-100</del> points in the Energy Performance section (Green Globes)
Silver level or 2 globes	25 percent abatement for <del>3</del> <del>5</del> years	25 percent abatement for <del>4</del> <del>6</del> years	<i>25 percent abatement for 6 years</i>	25 percent abatement for 7 years	25 percent abatement for 8 years	25 percent abatement for 9 years	25 percent abatement for 10 years
Gold level or 3 globes	25 percent abatement for <del>3</del> <del>5</del> years	30 percent abatement for <del>4</del> <del>6</del> years	<i>30 percent abatement for 6 years</i>	30 percent abatement for 7 years	30 percent abatement for 8 years	30 percent abatement for 9 years	30 percent abatement for 10 years
Platinum level or 4 globes	25 percent abatement for <del>3</del> <del>5</del> years	30 percent abatement for <del>4</del> <del>6</del> years	<i>30 percent abatement for 6 years</i>	35 percent abatement for 7 years	35 percent abatement for 8 years	35 percent abatement for 9 years	35 percent abatement for 10 years

**Intent:**

1. Update the points required under Green Globes to be consistent with the requirements for the same points under LEED.
2. Update the terms of the abatement to appropriately incentivize new construction projects that build above the 2018 IECC.

**Reasoning:**

1. LEED and GG both have a point scale that correlates to the expected percent of energy savings compared to the baseline. The baseline per LEED is the ASHRAE 90.1-2010 standard which is used in conjunction with the 2012 International Energy Conservation Code. The GOE recently adopted the 2018 IECC which is used in conjunction with the ASHRAE 90.1-2016 standard.
2. Upon review of the LEED v4 rating systems it has been identified that to meet the minimum OEP points dictated in NRS 701A.100, LEED v4 for new construction requires only a 5% improvement over the baseline to obtain the minimum OEP points. Leaving the table as it currently is does not allow the GOE to incentivize to build to a higher standard. If a new construction building is based on the 2018 IECC as adopted, then the building is already being constructed to be 14-15% better than the baseline.

2. If the Director issues a certificate of eligibility pursuant to NAC 701A.240 for a building or other structure that *registered with the Director as a project for the retrofitting or improvement of an existing building and that* meets the equivalent of the silver level or higher under the LEED ~~[standard]~~ *rating system*, ~~[for LEED-EB,]~~ or ~~[that meets]~~ the equivalent of the rating of two globes or higher under the Green Globes ~~[standard]~~ *rating system*, ~~[for GG-CIEB,]~~ the Director will set the duration of the partial tax abatement for the building or other structure based upon the number of points awarded by the ~~[U.S. Green Building Council]~~ *Green Building Certification Inc.*, or Green Building Initiative, as applicable, for energy conservation in the Optimize Energy Performance credit or Energy ~~[Performance]~~ *Consumption* section under the ~~[applicable]~~ LEED ~~[standard]~~ *rating system* or Green Globes ~~[standard]~~ *rating system*, as *applicable*, as provided in the following table:

**Intent:** Update language to be consistent with NAC 701A.200 and 701A.220



LEED or Green Globes Certification Level	5-6 points in the Optimize Energy Performance credit category (LEED) or <del>40-47</del> <del>32-39</del> points in the Energy <i>Consumption Performance</i> section (Green Globes)	7-10 points in the Optimize Energy Performance credit category (LEED) or <del>48-55</del> <del>40-55</del> points in the Energy <i>Consumption Performance</i> section (Green Globes)	11 <del>or more</del> <del>12</del> points in the Optimize Energy Performance credit category (LEED) or <del>56</del> <del>or more</del> <del>56-63</del> points in the Energy <i>Consumption Performance</i> section (Green Globes)	<del>13-14 points in the Optimize Energy Performance credit category (LEED) or 64-71 points in the Energy Performance section (Green Globes)</del>	<del>15-16 points in the Optimize Energy Performance credit category (LEED) or 72-79 points in the Energy Performance section (Green Globes)</del>	<del>17-21 points in the Optimize Energy Performance credit category (LEED) or 80-100 points in the Energy Performance section (Green Globes)</del>
Silver level or 2 globes	25 percent abatement for 5 years	25 percent abatement for 5 years	25 percent abatement for 5 years	<del>25 percent abatement for 5 years</del>	<del>25 percent abatement for 5 years</del>	<del>25 percent abatement for 5 years</del>
Gold level or 3 globes	25 percent abatement for 5 years	30 percent abatement for 5 years	30 percent abatement for 5 years	<del>30 percent abatement for 5 years</del>	<del>30 percent abatement for 5 years</del>	<del>30 percent abatement for 5 years</del>
Platinum level or 4 globes	25 percent abatement for 5 years	30 percent abatement for 5 years	35 percent abatement for 5 years	<del>35 percent abatement for 5 years</del>	<del>35 percent abatement for 5 years</del>	<del>35 percent abatement for 5 years</del>

**Intent:**

1. Update the points required under Green Globes to be consistent with the requirements for the same points under LEED.
2. Update the language used for Green Globes, the points are achieved under the Energy Consumption category.

**Reasoning:**

1. LEED and Green Globes both allow for the energy star score to be used to calculate the OEP & Energy Performance Points.
2. Update the language used for Green Globes, the points are achieved under the Energy Consumption category.

**Sec. 13.** NAC 701A.290 is hereby amended to read as follows:

701A.290 The Director may waive one or more of the requirements of NAC

701A.010 to 701A.290, inclusive, applicable to an *owner or* applicant *on behalf of the owner* for a partial tax abatement if~~;~~

~~—1. The applicant would have been able to comply with the requirement on or after June 15, 2007, if the form for application pursuant to NAC 701A.010 to 701A.290, inclusive, had been available and the provisions of NAC 701A.010 to 701A.290, inclusive, had been effective on that date; and~~

~~2. In~~, *in* the judgment of the Director, the failure to waive the requirement would produce an unjust result.

**Intent:**

Remove reference to PRE2007 projects where the code no longer applies

**Sec. 14.** NAC 701A.020, 701A.040, 701A.063, 701A.065, 701A.090, 701A.100, 701A.110, 701A.120, 701A.160, 701A.170, 701A.180, 701A.210, 701A.213, 701A.215, 701A.230, 701A.250 and 701A.270 are hereby repealed.

**Text of Repealed Sections:**

**NAC 701A.020 “Applicable LEED standard” defined.** ([NRS 701A.110](#), § 15.5 of [ch. 539, Stats. 2007](#)) “Applicable LEED standard” means the version of the LEED standard in effect at the time an applicant registers a project with the U.S. Green Building Council.

**NAC 701A.040 “Construction contract” defined.** (§ 15.5 of [ch. 539, Stats. 2007](#)) “Construction contract” means a contract between an owner of real property or an affiliate or subsidiary of the owner, and a contractor or construction manager which:

1. Defines their respective roles and responsibilities for the construction of a project on the property;
2. Establishes the scope of work, the amount of money to be paid to the contractor or construction manager and the allowable time for the duration of the contract; and
3. Describes the terms and conditions of a construction project.

**NAC 701A.063 “GG-CIEB” defined.** ([NRS 701A.100](#), [701A.110](#)) “GG-CIEB” means the Green Globes standard for Continual Improvement of Existing Buildings.

**NAC 701A.065 “GG-NC” defined.** ([NRS 701A.100](#), [701A.110](#)) “GG-NC” means the Green Globes standard for New Construction.

**NAC 701A.090 “LEED-CS” defined. (NRS 701A.110, § 15.5 of ch. 539, Stats. 2007)**  
“LEED-CS” means the LEED Green Building Rating System for Core and Shell Development.

**NAC 701A.100 “LEED-EB” defined. (NRS 701A.110, § 15.5 of ch. 539, Stats. 2007)**  
“LEED-EB” means the LEED Green Building Rating System for Existing Buildings, Upgrades, Operations and Maintenance.

**NAC 701A.110 “LEED Green Building Rating System” defined. (NRS 701A.110, § 15.5 of ch. 539, Stats. 2007)** “LEED Green Building Rating System” means those portions of the Leadership in Energy and Environmental Design Green Building Rating System developed by the U.S. Green Building Council that are adopted by the Director pursuant to [NAC 701A.200](#).

**NAC 701A.120 “LEED-NC” defined. (NRS 701A.110, § 15.5 of ch. 539, Stats. 2007)**  
“LEED-NC” means the LEED Green Building Rating System for New Construction & Major Renovations.

**NAC 701A.160 “Pre-2007 applicant” defined. (§ 15.5 of ch. 539, Stats. 2007)** “Pre-2007 applicant” means an applicant for a partial tax abatement for a construction project that includes a building or other structure:

1. Which is constructed pursuant to a preconstruction or construction contract executed on or before December 31, 2005;
2. Which is part of a construction project for which the Office of Energy Project Registration Form was filed with and received by the Office of Energy pursuant to the provisions of former [NAC 701.480](#); and
3. For which an opinion letter was issued by the Department of Taxation before February 1, 2007, stating that the project will qualify for a partial sales and use tax exemption under Assembly Bill No. 3 (Special Session 2005) if certain conditions are met.

**NAC 701A.170 “Pre-2007 Green Building Rating System” defined. (§ 15.5 of ch. 539, Stats. 2007)** “Pre-2007 Green Building Rating System” means the LEED Green Building Rating System adopted by the Director pursuant to the provisions of former [NRS 701.217](#), as that rating system existed before June 15, 2007, including the provisions of the regulations that are repealed by section 31 of this regulation.

**NAC 701A.180 “Preconstruction contract” defined. (§ 15.5 of ch. 539, Stats. 2007)**  
“Preconstruction contract” means a written and executed agreement that:

1. Precedes the construction of or the execution of a construction contract for a project for which a partial tax abatement is sought;
2. Clearly indicates a commitment to construct the project; and
3. Is entered into to provide at least one of the following services relating to the construction project:
  - (a) Project financing;
  - (b) Engineering;
  - (c) Design;
  - (d) Architecture;
  - (e) Labor; or
  - (f) Subcontracting.

**NAC 701A.210 LEED Green Building Rating System: Exclusions and modifications; use of independent third-party commissioning firm by applicant for partial tax abatement. (NRS 701A.100, 701A.110, 15.5 of ch. 539, Stats. 2007)**

1. In accordance with the provisions of NRS 701A.100, the LEED Green Building Rating System adopted by the Director pursuant to NAC 701A.200:

(a) Does not include any LEED standard:

(1) That has not been included in the LEED Green Building Rating System for at least 2 years at the time the applicant provides proof to the Director pursuant to NAC 701A.240 and 701A.250 that the building or other structure meets the equivalent of the silver level or higher of the LEED Green Building Rating System adopted by the Director; or

(2) For homes.

(b) Shall be deemed to require a building or other structure to obtain:

(1) At least 5 points in the Optimize Energy Performance credit to meet the equivalent of the silver level;

(2) At least 7 points in the Optimize Energy Performance credit to meet the equivalent of the gold level; and

(3) At least 11 points in the Optimize Energy Performance credit to meet the equivalent of the platinum level.

2. An applicant for a partial tax abatement must utilize an independent third-party commissioning firm to facilitate the fundamental building systems commissioning or existing building commissioning,, as applicable., required by the LEED Green Building Rating System Energy and Atmosphere Prerequisite 1.

3. As used in this section, “home” has the meaning ascribed to it in NRS 701A.100.

**NAC 701A.213 Green Globes standards: Adoption by reference; review and effect of new or updated standards. (NRS 701A.100, 701A.110)**

1. Except as otherwise provided in this subsection and NAC 701A.215:

(a) The Director hereby adopts for use in this State the following Green Globes standards which are in effect on June 23, 2014:

(1) GG-NC; and

(2) GG-CIEB.

(b) If the Green Building Initiative adopts a new or updated Green Globes standard after June 23, 2014, the Director will determine whether the new or updated standard is appropriate for use in this State and, if the Director determines that the new or updated standard:

(1) Is appropriate in this State:

(I) The new or updated standard becomes effective on such a date as may be determined by the Director; and

(II) The Director will post a notice of approval and the effective date thereof at the State Library, Archives and Public Records and the Office of Energy, and on the Internet website of the Office of Energy; or

(2) Is not appropriate in this State, the Green Globes standard that was most recently adopted by the Director or determined to be appropriate for use in this State pursuant to this subsection continues to be effective.

2. The Director will review, evaluate and consider any new and updated Green Globes standard at least once each year.

(Added to NAC by Office of Energy by R127-13, eff. 6-23-2014)

**NAC 701A.215 Green Globes standards: Exclusions and modifications; use of third-party assessor by applicant for partial tax abatement. (NRS 701A.100, 701A.110)**

1. In accordance with the provisions of NRS 701A.100, the Green Globes standards adopted pursuant to NAC 701A.213:

(a) Do not include any Green Globes standard:

(1) That has not been a Green Globes standard for at least 2 years at the time the applicant provides proof to the Director pursuant to NAC 701A.240 and 701A.250 that the building or other structure meets the equivalent of a rating of two globes or higher under the Green Globes standard; or

(2) For homes.

(b) Shall be deemed to require a building or other structure to obtain:

(1) At least 32 points for energy conservation under the Energy Performance standard of a Green Globes standard, to meet the equivalent of a rating of two globes;

(2) At least 40 points for energy conservation under the Energy Performance standard of a Green Globes standard, to meet the equivalent of a rating of three globes; and

(3) At least 56 points for energy conservation under the Energy Performance standard of a Green Globes standard, to meet the equivalent of a rating of four globes.

2. An applicant for a partial tax abatement:

(a) Must use a third-party assessor, assigned by the Green Building Initiative, to review and verify the information submitted by the applicant and approve the project for the purpose of obtaining certification by the Green Building Initiative.

(b) Shall submit to the Director with his or her application a copy of the report and findings of the assessor as the result of the assessment conducted pursuant to paragraph (a).

3. As used in this section, "home" has the meaning ascribed to it in NRS 701A.100.

**NAC 701A.230 Amendment of application after significant change in scope of project. (NRS 701A.110, § 15.5 of ch. 539, Stats. 2007)**

1. If an application for a partial tax abatement is submitted for a project that has not been completed on the date of that submission and there is a significant change in the scope of the project after that date, the applicant must amend the application to include the change within 60 days after the occurrence of the change. If the applicant fails to amend the application in a timely manner, the Director may, without limitation:

(a) Allow a partial tax abatement of those portions of the project that were part of the original application, including timely amendments; or

- (b) For good cause shown, extend the time within which to amend the application.
- 2. Upon receipt of an amendment to an application for a partial tax abatement, the Director will forward a copy of the amendment to the:
  - (a) Chief of the Budget Division of the Office of Finance;
  - (b) Department of Taxation;
  - (c) County assessor;
  - (d) County treasurer;
  - (e) Board of county commissioners;
  - (f) City manager and city council, if any; and
  - (g) Office of Economic Development.

**NAC 701A.250 Required proof that building meets requirements of applicable standard; additional required documentation. (NRS 701A.110, § 15.5 of ch. 539, Stats. 2007)**

1. Except as otherwise provided in subsection 2, the Director will accept as proof submitted pursuant to paragraph (a) of subsection 1 of NAC 701A.240:

- (a) An original or certified copy of a letter from:
  - (1) The U.S. Green Building Council informing the applicant that the building or other structure meets the LEED silver level or higher; or
  - (2) The Green Building Initiative informing the applicant that the building or other structure qualifies for a rating of two globes or higher under a Green Globes standard;
- (b) Official documentation issued by the U.S. Green Building Council or Green Building Initiative setting forth the number of points obtained by the building or other structure under the applicable LEED standard or Green Globes standard; or
- (c) Any other information acceptable to the Director that, in the judgment of the Director, evidences compliance with the requirements of the LEED Green Building Rating System or a Green Globes standard, as applicable.

2. In addition to the documentation required by subsection 1, the proof submitted pursuant to this section must include:

- (a) A statement whether any funding for the acquisition, design or construction of the building or other structure, and associated land, is being provided by a governmental entity in this State;
- (b) A statement whether the building or other structure is receiving or is expected to receive any other abatement or exemption pursuant to NRS 361.045 to 361.159, inclusive, or chapter 701A of NRS from the taxes imposed on real property by chapter 361 of NRS;
- (c) A statement whether the building or other structure, or any part thereof, is or is expected in the future to be exempt from the taxes imposed on real property by chapter 361 of NRS pursuant to any provision of law other than NRS 361.045 to 361.159, inclusive, or chapter 701A of NRS;
- (d) An overall project narrative;
- (e) The documentation submitted to the U.S. Green Building Council or Green Building Initiative, as applicable, to obtain points for water efficiency under the LEED Green Building Rating System or a Green Globes standard;
- (f) For pre-2007 applicants:
  - (1) The documentation submitted to the U.S. Green Building Council to comply with the LEED Green Building Rating System Energy and Atmosphere Prerequisite 2 (Minimum Energy Performance); or

(2) Any documentation that, in the judgment of the Director, demonstrates the energy efficiencies achieved through compliance with the LEED Green Building Rating System Energy and Atmosphere Prerequisite 2 (Minimum Energy Performance); and

(g) For applicants other than pre-2007 applicants:

(1) The documentation submitted to the U.S. Green Building Council or Green Building Initiative, as applicable, to obtain points under the LEED Green Building Rating System or a Green Globes standard, including, without limitation, any pertinent information regarding general building energy model, energy performance, building energy performance baseline, baseline and proposed design input parameters, baseline performance, performance rating, percentage improvement and points achieved; or

(2) Any documentation that, in the judgment of the Director, demonstrates the energy efficiencies achieved through compliance with the LEED Green Building Rating System or a Green Globes standard, as applicable.

**NAC 701A.270 Building included in construction project registered with Office of Energy before June 15, 2007: Submission and processing of application for partial tax abatement; provisions applicable to pre-2007 applicant. (NRS 701A.110, § 15.5 of ch. 539, Stats. 2007)**

1. The owner of a building or other structure included in a construction project which was registered with the Office of Energy before June 15, 2007, for a partial tax abatement may submit an application to the Director pursuant to NAC 701A.220 upon providing proof to the Director that the owner qualifies as a pre-2007 applicant. Upon determining that the owner qualifies as a pre-2007 applicant, the Director will expedite the processing of the application and apply all the provisions of NAC 701A.010 to 701A.290, inclusive, except that:

(a) The owner is not required to submit the application within 120 days after receiving local government approval of the construction project or registering the project with the U.S. Green Building Council;

(b) The Director will base his or her determination of eligibility on the Pre-2007 Green Building Rating System;

(c) Any partial tax abatement will be:

(1) Based on the provisions of section 15.5 of chapter 539, Statutes of Nevada 2007; and

(2) Limited to any building or other structure that, in the judgment of the Director, is reasonably related to any preconstruction or construction contracts submitted as proof that the owner qualifies as a pre-2007 applicant; and

(d) For the purposes of NAC 701A.010 to 701A.290, inclusive, “funding” shall be deemed to mean any cash or cash equivalent, including any loan or bond, except a private activity bond.

2. The owner of a building or other structure included in a construction project which was registered with the Office of Energy before June 15, 2007, for a partial tax abatement that does not qualify as a pre-2007 applicant may submit an application to the Director pursuant to NAC 701A.220. The Director will expedite the processing of the application.