SENATE BILL NO. 152—SENATORS HORSFORD, SCHNEIDER, CARLTON, BREEDEN, WIENER; COPENING AND WOODHOUSE

## FEBRUARY 19, 2009

JOINT SPONSORS: ASSEMBLYMEN BUCKLEY, OCEGUERA, CONKLIN, KIRKPATRICK, BOBZIEN; AND LESLIE

Referred to Committee on Energy, Infrastructure and Transportation

SUMMARY—Enacts the Green Jobs Initiative. (BDR 58-172)

FISCAL NOTE: Effect on Local Government: May have Fiscal Impact. Effect on the State: Yes.

EXPLANATION - Matter in **bolded italics** is new; matter between brackets formitted material is material to be omitted.

AN ACT relating to energy; providing for the training of persons to perform jobs which promote energy efficiency; requiring governmental entities to perform certain functions to promote energy efficiency; and providing other matters properly relating thereto.

## **Legislative Counsel's Digest:**

This bill provides for the use of the incentives contained in the recently signed federal "American Recovery and Reinvestment Act of 2009" to provide job training, the promotion of energy efficiency and the promotion of the use of renewable energy in Nevada. Sections 9 and 10 of this bill seek to take advantage of those incentives by providing specific training to persons in this State, establishing projects that will require the skills for which those persons are trained and providing for the employment of those persons. Section 9 requires the Department of Employment, Training and Rehabilitation and the Housing Division of the Department of Business and Industry to establish contractual relationships with nonprofit collaboratives to provide training in the fields of energy efficiency and renewable energy including training in the areas of weatherization, energy retrofit applications and performing energy audits. Within the limits of available money, the collaboratives will carry out programs for job training and provide apprenticeship programs in specific energy-related fields. Within the limits of money available, the Housing Division is required to contract with the nonprofit collaboratives to identify neighborhoods that will qualify for funding for weatherization projects and award contracts for projects to promote energy efficiency through weatherization. Such contracts awarded must provide for



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employing the persons trained by the nonprofit collaborative for this purpose, paying those employees prevailing wage and providing the employees and their dependents with health care insurance.

Section 10 of this bill requires the State Public Works Board, the board of trustees of each school district and the Board of Regents of the University of Nevada, within 90 days after the effective date of this bill, to each establish projects to weatherize and retrofit public buildings, facilities and structures in this State, including without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures. Section 10 further sets forth criteria for prioritizing those projects. Those entities are further required to enter into contracts for the projects as soon as practicable. Such contracts are required to provide that employees of the contractors and subcontractors on the project be paid prevailing wages, that the contractor or subcontractor employ a certain number of employees trained by a nonprofit cooperative and pay them prevailing wages and that the contractor provide employees on the project and their dependents with health care insurance.

**Section 11** of this bill provides that within the limits of money available, the State Public Works Board and the Division of State Parks of the State Department of Conservation and Natural Resources shall conduct studies to determine the feasibility of carrying out certain projects for providing alternative sources of

energy in this State.

WHEREAS, The unemployment rate in the State of Nevada is currently 9.1 percent and is expected to reach 11.4 percent sometime during 2009; and

WHEREAS, Many of Nevada's 128,000 unemployed residents have lost jobs in the construction and service sectors as the construction industry has faltered as a result of the mortgage foreclosure crisis and as the service industry, including gaming and tourism, has faltered as a result of the curtailment of discretionary spending on a national level; and

WHEREAS, One of the most effective methods of returning unemployed Nevadans to work is to create "green jobs" by developing new industries in this State in a manner that takes advantage of incentives offered by the Federal Government for job training, the promotion of energy efficiency and the promotion of the use of renewable energy; and

WHEREAS, An immediate step which may be taken to put Nevadans back to work is to coordinate job training with programs for weatherization and energy efficiency that are part of the recently enacted federal economic stimulus package; and

WHEREAS, In such a manner, unemployed Nevadans may learn new skills in fields such as energy auditing and the installation of energy efficient equipment and improvements, and then go to work performing such tasks as weatherizing homes, retrofitting public buildings, helping lower-income Nevadans to save on their utility bills, and reducing energy costs for schools, government buildings and other public facilities; and





WHEREAS, The Green Jobs Initiative can be accomplished through a public-private partnership that combines the resources of state agencies, local housing authorities, institutions of higher education, joint labor-management partnerships, apprenticeship programs and private contractors under the "umbrella" of a nonprofit collaborative; and

WHEREAS, The Green Jobs Initiative would function to establish programs to provide job training and outreach for the weatherization and retrofitting of buildings and facilities in northern Nevada, southern Nevada and rural Nevada; now, therefore,

## THE PEOPLE OF THE STATE OF NEVADA, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

- **Section 1.** Chapter 701B of NRS is hereby amended by adding thereto the provisions set forth as sections 2 to 10, inclusive, of this act.
- 18 Sec. 2. Sections 2 to 10, inclusive, of this act may be cited as 19 the Green Jobs Initiative.
  - Sec. 3. As used in sections 2 to 10, inclusive, of this act, unless the context otherwise requires, the words and terms defined in sections 4 to 8, inclusive, of this act have the meanings ascribed to them in those sections.
- **Sec. 4. "Department" means the Department of** 25 **Employment, Training and Rehabilitation.** 
  - Sec. 5. "Division" means the Housing Division of the Department of Business and Industry.
  - Sec. 6. I. "Renewable energy" means a source of energy that occurs naturally or is regenerated naturally, including, without limitation:
    - (a) Biomass;
    - (b) Fuel cells;
    - (c) Geothermal energy;
    - (d) Solar energy;
  - (e) Waterpower; and
  - (f) Wind.
- 2. The term does not include coal, natural gas, oil, propane or any other fossil fuel, or nuclear energy.

  Sec. 7. "Retrofitting" means the alteration, improvement.
  - Sec. 7. "Retrofitting" means the alteration, improvement, modification, remodeling or renovation of a building, facility, residence or structure to make that building, facility, residence or structure more energy efficient.
  - Sec. 8. "Weatherization" means materials or measures, and their installation, that are used to improve the thermal efficiency of a building, facility, residence or structure.





- Sec. 9. 1. The Department of Employment, Training and Rehabilitation and the Housing Division of the Department of Business and Industry shall establish contractual relationships with one or more nonprofit collaboratives to carry out the State's mission of creating new jobs in the fields of energy efficiency and renewable energy by combining job training with weatherization, energy retrofit applications and the development of renewable energy plants.
- 2. To qualify as a nonprofit collaborative for the purposes of this section:
- (a) A nonprofit entity must have a board of directors or trustees which includes one or more representatives of:
- (1) A joint labor-management or other affiliated apprenticeship program;
- (2) A community college or another institution of higher education; and
  - (3) A trade association: and
- (b) The nonprofit entity must conduct or have the ability to conduct training programs in at least one of the three geographic regions of this State, including Southern Nevada, Northern Nevada and Rural Nevada.
- 3. Within the limits of money available to the Department for this purpose, the Department shall contract with one or more qualified nonprofit collaboratives to:
- (a) Carry out programs for job training in fields relating to energy efficiency and the use of renewable energy.
- (b) In concert with joint labor-management or other affiliated apprenticeship programs, develop apprenticeship programs to train laborers in skills related to:
  - (1) The promotion of energy efficiency.
  - (2) The use of renewable energy.
- (3) Performing audits of the energy efficiency of buildings, facilities, residences and structures.
- (4) The weatherization of buildings, facilities, residences and structures.
- (5) The retrofitting of buildings, facilities, residences and structures.
- (6) The construction and operation of centralized renewable energy plants.
- The job training described in subsection 3 must be 40 41 sufficiently detailed to allow workers, as applicable, to perform: 42
  - (a) The services set forth in NRS 702.270.
  - (b) The services set forth in NRS 618.910 to 618.936, inclusive.
- 44 (c) Such other vocational or professional services, or both, as 45 the Department deems appropriate.



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- 1 5. Funding provided for the job training described in 2 subsection 3:
  - (a) Must include the cost of tuition and supplies.
  - (b) May include a cost-of-living stipend which may or may not be in addition to any available unemployment compensation.
  - 6. Within the limits of money available to the Division for the purpose, the Division shall contract with one or more qualified nonprofit collaboratives to:
  - (a) Identify, in different regions of the State, neighborhoods that will qualify for funding for weatherization projects pursuant to federal programs focusing on weatherization; and
  - (b) Issue requests for proposals for contractors and award contracts for projects to promote energy efficiency through weatherization. Any such requests for proposals and contracts must include, without limitation:
  - (1) Provisions stipulating that all employees of the outside contractors who work on the project must be paid prevailing wages;
  - (2) Provisions requiring that each outside contractor employ on each such project a number of persons trained as described in paragraph (b) of subsection 3 that is equal to or greater than 50 percent of the total workforce the contractor employs on the project;
  - (3) A component pursuant to which persons trained as described in paragraph (b) of subsection 3 must be classified and paid prevailing wages depending upon the classification of the skill in which they are trained; and
  - (4) A component that requires each contractor to provide to employees working on the project, and to their dependents, health care in the same manner as a policy of insurance pursuant to chapters 689A and 689B of NRS.
  - 7. The Department and the Division shall each report to the Interim Finance Committee at each meeting held by the Interim Finance Committee with respect to the activities in which they have engaged pursuant to this section.
  - Sec. 10. 1. The State Public Works Board shall, within 90 days after the effective date of this act, determine the specific projects to weatherize and retrofit public buildings, facilities and structures, including, without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures pursuant to the provisions of this section and section 9 of this act. The projects must be prioritized and selected on the basis of the following criteria:
    - (a) The length of time necessary to commence the project.





- (b) The number of workers estimated to be employed on the 1 2 project.
  - (c) The effectiveness of the project in reducing energy consumption.
    - (d) The estimated cost of the project.

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- (e) Whether the project is able to be powered by or to otherwise 6 7 use sources of renewable energy.
  - (f) Whether the project has qualified for participation in one or more of the following programs:
- 10 (1) The Solar Energy Systems Incentive Program created by NRS 701B.240; 11
- (2) The Renewable Energy School Pilot Program created 12 13 by NRS 701B.350;
  - (3) The Wind Energy Systems Demonstration Program created by NRS 701B.580; or
  - (4) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820.
  - The board of trustees of each school district shall, within 90 days after the effective date of this act, determine the specific projects to weatherize and retrofit public buildings, facilities and structures, including, without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures pursuant to the provisions of this section and section 9 of this act. The projects must be prioritized and selected on the basis of the following criteria:
    - (a) The length of time necessary to commence the project.
- 27 (b) The number of workers estimated to be employed on the 28 project.
- 29 (c) The effectiveness of the project in reducing energy 30 consumption.
  - (d) The estimated cost of the project.
  - (e) Whether the project is able to be powered by or to otherwise use sources of renewable energy.
- (f) Whether the project has qualified for participation in one 34 35 or more of the following programs:
  - (1) The Solar Energy Systems Incentive Program created by NRS 701B.240;
- (2) The Renewable Energy School Pilot Program created 39 by NRS 701B.350:
- (3) The Wind Energy Systems Demonstration Program 40 41 created by NRS 701B.580; or
  - (4) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820.
  - The Board of Regents of the University of Nevada shall, within 90 days after the effective date of this act, determine the





specific projects to weatherize and retrofit public buildings, facilities and structures, including, without limitation, trafficcontrol systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures pursuant to the provisions of this section and section 9 of this act. The projects must be prioritized and selected on the basis of the following criteria:

- (a) The length of time necessary to commence the project.
- (b) The number of workers estimated to be employed on the project.
- (c) The effectiveness of the project in reducing energy consumption.
  - (d) The estimated cost of the project.
- (e) Whether the project is able to be powered by or to otherwise use sources of renewable energy.
- (f) Whether the project has qualified for participation in one or more of the following programs:
  - (1) The Solar Energy Systems Incentive Program created by NRS 701B.240;
  - (2) The Renewable Energy School Pilot Program created by NRS 701B.350:
  - (3) The Wind Energy Systems Demonstration Program created by NRS 701B.580; or
  - (4) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820.
- 4. As soon as practicable after an entity described in subsections 1, 2 and 3 selects a project, the entity shall proceed to enter into a contract with one or more contractors to perform the work on the project. The request for proposals and all contracts for each project must include, without limitation:
- (a) Provisions stipulating that all employees of the contractors 32 and subcontractors who work on the project must be paid prevailing wages pursuant to the requirements of chapter 338 of 33 NRS:
  - (b) Provisions requiring that each contractor subcontractor employed on each such project employ a number of persons trained as described in paragraph (b) of subsection 3 of section 9 of this act that is equal to or greater than 50 percent of the total workforce the contractor or subcontractor employs on the project;
  - (c) A component pursuant to which persons trained as described in paragraph (b) of subsection 3 of section 9 of this act must be classified and paid prevailing wages depending upon the classification of the skill in which they are trained; and



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(d) A component that requires each contractor or subcontractor to provide to employees working on the project, and to their dependents, health care in the same manner as a policy of insurance pursuant to chapters 689A and 689B of NRS.

5. The State Public Works Board, each of the school districts and the Board of Regents of the University of Nevada shall each provide a report to the Interim Finance Committee which describes the projects selected pursuant to this section and a report of the dates on which those projects are scheduled to be completed.

**Sec. 11.** Within limits of money available for the purpose:

- 1. The State Public Works Board shall conduct a study to determine the feasibility of using geothermal resources to provide heating to all or a portion of the Lovelock Correctional Center.
- 2. The Division of State Parks of the State Department of Conservation and Natural Resources shall conduct a study to determine the feasibility of:
- (a) Constructing a hydroelectric generation unit at the existing dam on the South Fork Reservoir near Elko, Nevada.
- 19 (b) Constructing wind turbines in the vicinity of the location 20 described in subsection 1.
- Sec. 12. This act becomes effective upon passage and approval.





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