THE SEVENTH DAY

CARSON CITY (Tuesday), June 13, 2023

Senate called to order at 8:59 a.m.

President pro Tempore Spearman presiding.

Roll called.

All present except Senators Hansen and Titus, who were excused.

Prayer by Senator Fabian Doñate.

Dear God, we come before You today with humble hearts seeking Your blessing upon the Las Vegas Golden Knights. As they step onto the ice tonight, we pray for their safety. Shield them from injury and grant them resilience. Grant them the clarity of mind and focus so they may exhibit their best skills and strategies. Bless the skaters with speed and agility. May their passes be precise and their shots be true. Bless the goaltender with unwavering confidence and grant them the reflexes and instincts needed for every save.

We ask for Your guidance and favor as they face the challenges of this crucial match. May they find strength in each other, and may their efforts be rewarded with success. Whatever the outcome, let them remember the joy of the game and the honor it brings to represent their team and our city. May they feel proud of their accomplishments, and may they continue to inspire us with their passion and dedication.

In Your Name, we pray.

AMEN.

Pledge of Allegiance to the Flag.

By previous order of the Senate, the reading of the Journal is dispensed with, and the President pro Tempore and Secretary are authorized to make the necessary corrections and additions.

MOTIONS, RESOLUTIONS AND NOTICES

Pursuant to Rule No. 53.1(a) of the Senate Rules from the 35th Special Session, Senate Majority Leader Cannizzaro has authorized Senators Hansen, Scheible and Titus to use remote technology systems to attend, participate, vote and take any other action in the proceedings of the Senate.

Senator Cannizzaro moved that the following person be accepted as an accredited press representative and be allowed the use of appropriate media facilities: Ed Pearce of KOLO-TV.

Motion carried.

Senator Cannizzaro moved that the Senate resolve itself into a Committee of the Whole for the purpose of further considering Senate Bill No. 1, with Senator Cannizzaro as Chair and Senator Lange as Vice Chair.

Motion carried.

IN COMMITTEE OF THE WHOLE

At 9:47 a.m.

Senator Cannizzaro presiding.

Senate Bill No. 1, Proposed Amendments 3001 and 3003 considered.

The Committee of the Whole was addressed by Jeremy Aguero, Principal Analyst, Applied Analysis; Senator Cannizzaro; Senator Goicoechea; Senator Harris; Steve Hill, CEO of Las Vegas Convention and Visitors Authority, Chairman of Las Vegas Stadium Authority; Senator Neal; Senator Ohrenschall; Kevin Powers, General Counsel, Legal Division, Legislative Counsel Bureau; Senator Scheible; Senator Seevers Gansert; Senator Spearman; Senator Stone; Wayne Thorley, Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau.

SENATOR CANNIZZARO:

Committee members, as you recall, a couple of days ago we had heard a hearing on Senate Bill No. 1. Before you, and what has been posted both on NELIS and is there at your desks with you, are copies of two proposed amendments, Proposed Amendment 3001 to Senate Bill No. 1 and Proposed Amendment 3003 to Senate Bill No. 1.

We are going to have a work session this morning on Senate Bill No. 1. It is my intention to be able to walk through the provisions of the amendment, allow for some questions from members of the committee on the amendment and then go from there. I will remind committee members that because we did already have the hearing, if you can limit your questions or points of clarification to items that are contained within the amendatory language of these two amendments, I think that would be the most productive use of our time.

We are joined here today with some individuals who will be able to walk us through and hopefully be able to answer all of the questions from the members of the committee. Thank you to Mr. Hill and Mr. Aguero for being with us this morning to be able to do that, and then we also have from our Legal Division Mr. Kevin Powers, who can help to answer questions as well. So I am going to turn this over to either Mr. Hill or Mr. Aguero to walk through—members, we will start with Proposed Amendment 3001. For those of you who are watching online, this amendment should be available on NELIS as well for your perusal. And if we can just go through some of the provisions there, I know Mr. Powers may have some commentary on some of the amendments as well to this, and then we will open it up for questions from members of the committee.

JEREMY AGUERO (Principal Analyst, Applied Analysis):

Madam Majority Leader, Senators, thank you again for the opportunity to be here today. I'm grateful. As the Majority Leader indicated, Mr. Hill and I will be walking through the mockup that has been provided to you. I'm going to begin on page 3, and we'll do it section by section. To the extent there are any questions as we go through, I'm happy to try and answer those.

Sections 1 and 2 have no revisions to them. Flipping to page 5 is section 3; this is the section that has the definitions. In sections 4 through 17, there are a couple of changes to section 7 in terms of providing clarification relative to the definition of bonds and separating into subsection 1 defining bonds as general obligations or other securities, and then including in subsection 2 the concept of bonds that are refunded.

On page 6, in section 8.5, there was some discussion relative to the terminology used around the resort corridor homeless prevention and assistance fund, both here in the definitions as well as in the draft itself. It's been redefined to be the Clark County homeless[ness] prevention and assistance fund. You'll see that there's other clarifications throughout the balance of the bill, which make it clear that the intent is to utilize that money for the entirety of the region as opposed to just one area of that region. You'll notice on page 6, in section 15, it has been deleted by amendment, the defining the resort corridor homeless[ness] prevention for exactly the same reason.

Flipping to page 7, now we get to section 20; this is a continuation of the exact same concept. On page 20, you'll notice that the resort corridor homeless[ness] prevention and assistance fund has been amended to be referred to as the Clark County fund. There is also a provision that requires the county to coordinate with local governments in the region relative to the administration of that fund and the elements of the original bill, which required coordination with both the resort industry as well as the Major League Baseball team, have been removed.

Moving forward to page 8, under section 22, subsection 2, which is the section that is specific to the development of the development agreement between the Stadium Authority Board and the developer of the project. In this particular element, under paragraph (a), it was the need to identify the site of the project. That has now been specified to be a specific site located generally within the county at the southeast corner of Las Vegas Boulevard and Tropicana Avenue.

Continuing on in the same section, I'm now on page 9, paragraph (h), this is the section that deals specifically with the development agreement between the developer partner and the locality, in this case, Clark County. This is the development agreement for a high impact project. There have been a couple of elements that have been amended into this section. One is the concept of including utilities and also making sure that the specific words "safe and efficient airport operations" have been included as part of the determination that must be made as part of that high impact project.

Carrying forward to page 11, we get to the community benefits agreement. I'm gonna turn it over to Mr. Hill to talk through that.

STEVE HILL (CEO of Las Vegas Convention and Visitors Authority, Chairman of Las Vegas Stadium Authority):

Thank you again for the opportunity to be here with you and also want to say thank you for the work that you have done to make this bill better. We appreciate your input and the improvements that you have made.

Section 23 relates to the community benefit[s] agreement. Section 2 is all new language. There are a number of provisions here that these elements must be included in the community benefits agreement and must be approved by the Stadium Authority Board. Those elements include the diversity of the construction period and the workforce during construction, the workforce during operations as well as the contractors working directly on this project and their subcontractors and vendors. There must be a living wage paid. We'll let you know that in this particular project more than 90 percent of the workforce will be covered by a collective bargaining agreement. There must be community engagement that includes a donation of tickets, supportive youth baseball, a community suite each and every game for the benefit of organizations in the community. There must be educational programming, working with local colleges and universities. There will be scholarships and internship programs.

The part of this agreement, or this law, there is also the funding requirements to fund this community benefit[s] agreement in the statute. That includes minimum funding of a half-a-million dollars each year prior to the opening of the stadium itself, and then once operations and the season commences in 2028, that commitment rises to either one-and-a-half million dollars or 1 percent of ticket revenue, whichever is greater.

The third aspect that is now in the bill includes the enforcement provisions to make sure that this agreement is adhered to moving forward. It is roughly a progressive discipline set of paragraphs, where the community oversight committee has responsibility to oversee the implementation of the community benefit[s] agreement. If they see that that is not happening, they issue a letter to the A's telling them that things need to be corrected, and as time goes along, if those corrections are not made, they can come to the Stadium Authority Board and recommend that legal action be taken.

On page 13, in section 4, there are outlined seven members of the community oversight committee. Those appointments are made by the Governor, the Majority Leader, the Speaker, the county and the Stadium Authority Board. In that section, it states that when those appointments are made, the diversity of the community, in many aspects, needs to be considered as those appointments are made.

In section 6, near the bottom of page 13, it states that the community oversight committee is a public body, and it is subject to the Nevada Open Meeting Law. In section 7, they are required to report every even year toward the end of the year to a number of different organizations, including the Governor, the Legislative Council Bureau, county manager, Stadium Authority Board. Section 8 outlines what is required to be in that report. Section 9, it's required that the Stadium Authority appoint a community benefits director to advise and oversee the effort, essentially serve as staff to the oversight committee. Section 10 outlines that failure to perform triggers a review and potential revision to the agreement. Section 11 outlines what happens if

there is a failure to improve as a result of those efforts, up to and including legal action that can seek either specific performance or damages. [Inaudible] back over to Mr. Aguero.

MR. AGUERO:

Thank you. I, too, want to echo what Mr. Hill said about the valuable input that was provided. I also want to extend that to express thanks to your staff. They have been tireless in terms of trying to get this crafted correctly, and I also want to extend our thanks to them.

The next material change is on page 20 of the document, in section 28. In this section, you'll see that there is a revision in terms of when the sports entertainment improvement district can be created. The drafters in section 28 simply enumerated to the sections that were provided in section 1 and have outlined them there, frankly, making it cleaner and a little easier to read. Section 28 also has an important revision in it. In subsection 2(c), you'll notice that in the earlier sections when we're defining what a Major League Baseball stadium project is, that there was a provision that essentially ensured that an operating hotel or a licensed gaming establishment would not be included to make sure that neither the project nor the sports and entertainment district can include an operating hotel or a licensed gaming operation. That same language, or a version very close to it, has been moved to section 28, 2(c), to make sure that there is no ambiguity relative to either one of those two things being able to take place.

Also in section 28, subsection 3(c), it also makes it clear that the expansion, if the district were to be expanded from time to time, that it also could not include an operating hotel, motel—anything along those lines—or a licensed gaming establishment.

Section 29 has a number of revisions to it. This is the section that includes all of the revenues that inure into the district. The section has been reordered on a number of levels to make sure that the operative additional section, which is section 8 of the amendment, works and is identified throughout. What section 8 does—and I'm sorry, I'll make sure that I put you to the right page relative to that—on page 25, section 8, which makes it clear that the allocation of funds does not constitute a contract or pledge by the State in terms of the State's specific funds and does not supersede the State's sovereign right for any legislature to enact or repeal any law. So while the local government revenues are specifically identified and are set to not be able to change—one Legislature obviously cannot bind another Legislature—this is making sure that that is clear with regard to all of the revenues that inure to the benefit of the sports and entertainment district.

Under section 30—this is the section that creates the credit enhancement, or the state line of credit, if you will—the section here moves some pieces around in terms of section 30, subsection 1(b), making sure that the funds can be from the State Infrastructure Bank, so forth and so on, just many of the things that were already discussed throughout. There are a number of conforming changes—or clarifications, probably the better way to say that—on page 26, making sure that the references are specifically to the board of directors of the Stadium Authority Board, which was mentioned a couple of different ways. It was referenced differently at different times in the same piece of legislation. The changes that also fall in this section provide for a process by which the funds that are put into the credit enhancement account can be accessed, in which case the county determines that the principal and interest payments are not going to be sufficient, they then let the Treasurer know that is the case. The Treasurer then has an affirmative obligation to bring that before the Interim Finance Committee for review and then the release ultimately of those funds that are there. Also worth mentioning on page 27, in subsection 5, is the provision that identified all of the areas where the revenues could be utilized or identified for purposes of funding the credit enhancement in the event that revenues came in under expectations. These have now been prioritized in the section to ensure that there's a sequencing of that that is done in a way that is not … all of these are sort of equally available but going through each one of them one at a time.

Finally, in the sections that are included toward the end of the section, I will point you to subsection 9 and 10. There is a parallel provision to the provision that we talked about previously, again, ensuring that the allocation of funds to this account or any funds that will be dedicated to this account doesn't constitute a contract or a pledge by the State, nor does it supersede the sovereign right of any legislature to repeal or enact a law.

On page 30, section 31, you'll notice that there's a date that has been added to this section: on "or after July 1 of 2025." This is the section that specifically provides for the transferrable tax credits. It essentially says that the transferrable tax credits cannot become available until July 1st of 2025.

Going forward to section 32 of the bill, I'm now on subsection 8, paragraph (d), you'll notice that there are some revisions crossing out $90 million and replacing it with $60 million. The mockup that is in front of you changes the construct of the transferrable tax credits that was $180 million to be provided in transferrable tax credits, with $90 million being subject to refunding through the waterfall, to $180 million of transferrable tax credits, with $120 million that are available to be refunded through the waterfall. So what this section specifically indicates is the $60 million that would not be subject to refunding, and then it cross-references the section in the waterfall repayment to make sure that all of those are subject to repayment.

On page 34, paragraph (d), there's some clarifying language that Clark County requested to make sure that in the event to need to repay the credit enhancement, that it was to repay a special obligation of the county. Those values are important. Page 34, paragraph (g), is the waterfall provision that we're looking at now. That waterfall provision provides the repayment of the transferrable tax credits, the portion of the transferrable tax credits that we spoke about earlier. That is repaid in two tiers. The first of those tiers is the first $45 million of those refundable tax credits are paid, with 90 percent of the available money in the waterfall going to the repayment and 10 percent of the money in the waterfall going to the Clark County homeless[ness] prevention and assistance fund. Everything that is repaid in excess of $45 million up to the full $120 [million] repayment is a split that is 80 percent going to the State for the refunding of the transferrable tax credits and 20 percent going to the Clark County fund for homelessness prevention and assistance.

On page 36—we're still in the waterfall section, I'm looking at subsection 7—there's some green language there that relates to the CPI [Consumer Price Index] and that is because there are certain elements that need to be adjusted, including in this particular provision. The homeless fund portion of the refunding is subject to a CPI adjustment, and that makes sure that that is clear overall.

On page 36, subsection 8, paragraph (b), these are clarification elements that were requested by Clark County to make sure that the allocation of any capital fund cannot be done in a way that would violate any bond covenants that exist to make sure that that is ticked and tied throughout the legislation.

On page 37, section 33—section 33 is the section that we discussed previously that includes any provisions that must be included in any agreement that the Stadium Authority Board enters into. There are just a couple of very minor additions done to the bill that essentially make sure that it's clear that the maximum amount of distribution is $380 million, and the maximum amount of the transferrable tax credits is $180 million.

On page 39, there is a concept that was added—I'm now looking at paragraph (e) at the top of page 39—that says if, and when the property is transferred at the end of the lease, that there must be consideration of a third-party appraisal in order to do that.

On page 40, there are a couple of changes that are points of clarification. In subsection 3, these changes simply make sure that we're always referring to the "developer partner" as opposed to a couple of places where there are references to "development partner." It has the same meaning throughout the document, but obviously Legal staff has a sharp eye in making sure that everything is consistent.

On page 42, subsection 4, there were a couple of places throughout the document where there was a reference to securities as opposed to bonds. In the definition of bonds that we talked about at the outside of our discussion, it also includes other securities, so you'll see a number of places within the document where that is no longer necessary. This is just one of them.

With that, I will turn over the governance section to Mr. Hill.

MR. HILL:

On page 44, section 36, the section describes the makeup of the Stadium Authority Board. In subsection 1, the State Treasurer does not become an ex officio member of the Stadium Authority. In subsections 1(c) and 1(d), the Stadium Authority Board is expanded to

11 members. One new member will be appointed by the Majority Leader of the Senate and one by the Speaker of the Assembly.

On page 45 and subsequently throughout this mockup, you will see quite a bit of purple and red ink that is largely moving language in the bill. On page 46, in subsection 3, new language calls out that when making appointments to the Stadium Authority Board, the authorities making those appointments shall consider the diversity of those members in many different ways.

On page 47, in section 36.5, it reiterates that the Stadium Authority Board appoints two ad hoc members, and then language that follows on pages 48 and 49 in subsection 3 toward the bottom of that page. Originally in the law, the Stadium Authority was required to consider the recommendations of the Raiders, the NFL team. This provision in the law requires that the Stadium Authority for one of the appointments consider the recommendations of the Raiders, the NFL team, and then for the other appointment, consider the recommendations of the Major League Baseball team, the A's.

On page 50, in section 37, subsection 2, it just points out that the new members appointed by the Majority Leader and the Speaker will have staggered terms. On the next page, page 51, section 37.5, it just points out that the board member appointed in consultation with Major League Baseball will be done after the bonds have been issued. Then on page 53, in section 38, the appropriation from the General Fund to the State Infrastructure Bank has been reduced from $25 million to $14 million. Section 39.5 is just the severability provision, and section 40 are the effective dates of the legislation.

And with that, Madam Chair, that's our presentation. We're happy to answer any questions anyone may have.

SENATOR CANNIZZARO:

Great. Thank you both. Before we get to questions, Mr. Powers, I don't know if there is anything else you wanted to add on those provisions for [Proposed] Amendment 3001 before we move on.

KEVIN POWERS (General Counsel, Legal Division, Legislative Counsel Bureau):

Thank you, Madam Chair. And just for the viewing public, the LCB is a nonpartisan agency. We do not support or oppose any particular piece of legislation, policy or viewpoint. We do, however, provide the Legislature and its members with objective, legal, fiscal and policy analysis and advice so that the Legislature can perform its constitutional function.

I would like to elaborate a little more on sections 29 and 30 and the provision that Mr. Aguero mentioned dealing with the State not pledging its full faith and credit [inaudible]. This provision was added because there are state constitutional requirements involved. First, under Article 9, section 4 of the Nevada Constitution, the State is prohibited from assuming the credit of any county. What that means is that the State cannot pledge the full faith and credit of the State as a guarantor or surety of county bonds. [Inaudible] provisions were added in [sections] 29 and 30 to ensure that the State was not assuming any of the debt [inaudible]. County bonds issued under the bill will be the general obligation bonds of the county and ultimately the full faith and credit of the county will back those bonds, not the full faith and credit of the State.

In addition, under Article 9, section 3, of the Nevada Constitution, if the State wants to issue its own bonds, the State has to comply with certain requirements if those bonds are backed by the full faith and credit of the State. In particular, the State has to impose a tax to cover the payment of the bonds within a 20-year period, and those bonds combined with other outstanding state bonds cannot exceed the state debt limit. Now, this legislation does not provide for the issuance of any state securities, but this legislation needed to make clear that there was nothing in the legislation pledging the full faith and credit of the State to implicate the state debt limit and the state debt provisions in Article 9, section 3, of the Nevada Constitution.

Finally, under the federal Constitution, if a state pledges its full faith and credit behind general obligation bonds, those bondholders then have a contract with the state that is protected by the contract clause of the federal Constitution. What that means is that the state cannot take any legislative action that impairs that contract with the bondholders if the full faith and credit of the state is pledged.

What the bill ensures in sections 29 and 30 is the State is not surrendering any of its sovereign power, it's not pledging its full faith and credit, and the Legislature is free to amend, repeal or

enact any law, notwithstanding the fact that certain state revenues are being pledged not on the full faith and credit of the State but being dedicated by each legislature to assist the county in funding the Major League Baseball project. As it stands now, it's a continuing appropriation, so it doesn't require successive legislatures to [inaudible] biennium. However, successive Legislators could come in and adjust any of the taxes that are part of the revenue stream and adjust any parts of this legislation as necessary to achieve legislative policy goals. And that would not affect the contract clause because the State is not pledging its full faith and credit [inaudible].

Thank you, Madam Chair. I'm certainly open to any questions [inaudible] at issue or any other parts of this legislation.

SENATOR CANNIZZARO:

Thank you, Mr. Powers. I know that we have another amendment. I don't know if you wanted to just touch on that very briefly. And that way we'll open up for questions. I'll ask for questions to come for Mr. Aguero and Mr. Hill first, so that they can get on to the next part of their day. But, Mr. Powers, if you want to touch on the other [Proposed] Amendment, 3003, just briefly, and then we will go to members for questions.

MR. POWERS:

The second mockup you have is Proposed Amendment 3003. This proposed amendment incorporates provisions of legislation that was passed by the Legislature but vetoed by the Governor. Those two pieces of legislation are Senate Bill No. 299 and Senate Bill No. 429 from this past 2023 regular session.

Senate Bill No. 299 was a bill that eliminated certain exemptions from the prevailing wage requirements relating to railroad companies or monorails. Both railroad companies and monorails under existing law [inaudible] exemption from having to comply with the prevailing wage requirements. This amendment would remove that exemption so that those monorail and railroad projects would have to comply with the prevailing wage requirements in Chapter 338 of NRS.

The second part of the mockup 3003 incorporates the provisions of Senate Bill No. 429 of this past legislative session in 2023. This bill requires certain new and expanding businesses to provide certain paid family and medical leave to employees in order to qualify for a partial abatement of certain taxes. So the Office of Economic Development has the statutory authority to grant partial abatements to businesses [inaudible] them move their operations to the State of Nevada. If those businesses choose to move to the State of Nevada [inaudible] qualify for the partial abatement. They then have to provide the paid family and medical leave required by the bill. The threshold is that the businesses have to have at least 50 full-time employees and by a certain time and when they do, then they have to provide that paid family and medical leave. That's an overview of this amendment. I'm certainly open to [inaudible].

SENATOR CANNIZZARO:

Great. Thank you, Mr. Powers. So we will go to questions on these amendments from members of the committee. Again, I will just remind committee members that because we are in a work session, your questions should be limited to the amendments here. We certainly had a very robust hearing with lots of questions generally about the concepts in Senate Bill No. 1 a few days ago. And so right now we are considering these amendments. If you have questions for Mr. Hill or Mr. Aguero you think that they might be able to answer, please go ahead and hit your request-to-speak buttons. We'll start there so that they can get on, and then if there are additional questions for Mr. Powers, we'll go to those questions.

SENATOR OHRENSCHALL:

I think my question is either for Mr. Hill or Mr. Aguero. Section 23 of [Proposed] Amendment 3001, I am looking at page 12 and its sub[section] 2, "community benefits agreement must include, without limitation," sub[section] 2(c), "[e]stablish requirements for community engagement by the Baseball Stadium Events Company and the Major League Baseball team, including, without limitation," several different factors.

You know, in Nevada we have 28 federally recognized Native American tribes. I think in Clark County there's over 6,000 urban Indians that reside in Clark County. I just wonder if you envision, if this passes, engagement from the development company and the baseball team with our Native American communities in Clark County and throughout the State in terms of maybe appreciation days or days to recognize Native American heritage and contributions of our Native American communities here in Nevada.

MR. HILL:
I know that the A's have that intention and are very aware that that's an important part of Nevada and have every intention of engaging with Native Americans.

SENATOR OHRENSCHALL:
Okay. Thank you. I'm glad that's on the record. Thank you, Mr. Hill.

SENATOR SCHEIBLE:
I wanted to talk a little bit more about the provisions, I think it was in sections 29 and 30, about the financial obligations of the State. And I'm kind of at a loss because I completely understand the constitutional issue that's been brought to our attention about the State not being able to back the bonds of the county. My question—I guess I'm not sure how else to phrase it—but wasn't that kind of the whole point of the bill? Like, that was the whole structure of the deal was that the State was supposed to back the bonds. So now if we're not able to do that and we can't tie the hands of future legislatures to pick up the slack and cover for the county if they can't cover the bonds, then how does the deal still work?

MR. AGUERO:
There has been a lot of conversations between Legislative Counsel Bureau and the county and bond council to make sure that we have it structured. Yes, one legislature cannot bind another legislature, but these revenue streams do become available for the repayment of those bonds. And so yes, does it create some additional risk? Of course, it does, but that risk I think as Mr. Powers would probably confirm—and I don't mean to put words in his mouth at all—always existed. That was always part of it. I think what's really included here is a clarification that there is some limitation in terms of what future legislatures are ultimately going to do.

MR. POWERS:
Senator, I will follow up real quick, if you don't mind. As Mr. Aguero mentioned, the intent of the legislation, I don't believe, was originally to bind the State through its pledge of its full faith and credit because if it had done, so then you'd trigger the requirements of Article 9, section 3, of the Nevada Constitution and you're dealing with the debt limit, a dedicated tax and a repayment period of 20 years. So the intent of the legislation was never to trigger Article 9, section 3, and Article 9, section 4, obviously prohibits the State from assuming the debts of a county.

But I think the other thing to remember in this context is, the point of the legislation, too, is to inform the bondholders that ultimately these bonds are backed by the full faith and credit of the county and that these state revenues, although they are part of the legislation and they can continue through the entire term of the bonds, a successive legislature may choose to adjust the rates of those state taxes or repeal one of those state taxes and because this provision is in the legislation—what I like to call the "no full faith and credit clause"—it makes the bondholders aware of that. They understand that risk, and then they still purchase the bonds knowing full well that only the full faith and credit of the county backs the bonds. Thank you.

SENATOR SCHEIBLE:
So I just want to make sure that I'm understanding that what we're doing right now, we're saying today in 2023, we're going to agree that, hey, Clark County, you go ahead and bond this $380 million project. If the revenues that we're planning to pledge from the sales tax, the payroll tax, whatever taxes are in the bubble aren't enough to cover it, we're saying today in 2023, County of Clark, if you can't cover it, we will back your bond. But then it's possible in ten years, in the year 2033, the Legislature might come in and say, actually, never mind. We don't like this project. You're on your own, Clark County.

MR. AGUERO:
Senator Scheible, I suppose the answer to that question is yes. Certainly, the hope is that the State, in sort of creating the pledge and creating the backstop, will continue to provide that. That is certainly what is contemplated here. But everyone recognizes exactly what Mr. Powers said. There is not any intention of creating any type of constitutional conflict, and so that's the reality that this structure has to accept.

SENATOR SCHEIBLE:
Okay. So obviously I'm a little bit concerned about that, and I'm a little bit concerned about the provisions that move money in and out of the General Fund to cover the bonds. And so I just want to make sure that I'm understanding it completely, and I think that I do. So I want to ask you one other question.
So we still have these two separate governing bodies, the board that oversees the community benefits agreement as well as the Stadium Authority, correct?

MR. AGUERO:
Yes.

SENATOR SCHEIBLE:
And do they have a legal relationship with each other through this bill?

MR. AGUERO:
Senator Scheible, generally, I think the answer to your question is yes. They are both public bodies, but the oversight committee does have reporting responsibility, and the Stadium Authority Board does have appointment responsibility over the community benefits group. They are in and of themselves a public body, so they're separate, but yes, there is a relationship between the two.

SENATOR SCHEIBLE:
Okay. And so I just wanted to make sure because we had some DEI—diversity, equity and inclusion—requirements for the community oversight portion but not for the Stadium Authority, right?

MR. AGUERO:
No, that is not correct. The provisions relative to diversity exist in both sections of the amendment as provided.

SENATOR SCHEIBLE:
Okay. Thank you. Sorry, I'm still reading through it, so that's why I wanted to make sure I got the clarity. So then the only thing that we're changing with the Stadium Authority Board is removing the State Treasurer as an ex officio member. Is that accurate, or am I missing something else?

MR. AGUERO:
I believe the answer to your question is yes. The only other piece that I would mention is what you already mentioned. And just to make sure that the record's complete, the other material revision is the inclusion that the members of that board, in this case, the Stadium Authority, that are appointed take into consideration—as Mr. Hill said—a broad cross-section of diversity of our State and our community in the State.

MR. POWERS:
Just let me add there are the addition to the Stadium Authority of additional members appointed by the Majority Leader and the Speaker. So in addition to the diversity requirement, there will be an expansion of the Stadium Authority with those additional appointed members. Thank you.

SENATOR SCHEIBLE:
Thank you. But those changes were in the original bill. I'm just talking about the amendment just changes the no longer appointing the State Treasurer.

MR. AGUERO:
You're correct.

SENATOR SCHEIBLE:
Okay. Can you just talk a little bit about why that change is being made?

MR. AGUERO:
There was a lot of conversations that flowed through relative to the level of responsibility and where that oversight would come in throughout this process. Obviously, the Treasurer is very important to the process and the creation of the credit enhancement. However, with the insertion of the Interim Finance Committee as another layer of review relative to the credit enhancement, I think that the general—at least as it was conveyed to me—was that it was just unnecessary in addition to the other safeguards that were already put in place.

SENATOR SCHEIBLE:
Okay. Thank you. I appreciate that.

SENATOR SEEVERS GANSERT:
I'm trying to understand the relationship between the amendment that we have before us, which is 3001, and what was on our desk. There's a term sheet, a community benefits agreement, if there's actually going to be a term sheet or if the provisions that are in the bill are solely what will be agreed upon today.

MR. HILL:
What is in this amendment is what our understanding is the only thing that is intended to be in the amendment. The document that you have is a separate commitment from the law that provides some depth for the commitment that the A's are going to make in relation to what will be in the law and what is currently in the amendment.

SENATOR SEEVERS GANSERT:
Thank you. Because when I look at this term sheet, it's much more specific around diversity of 51 percent. And then if I look at the proposed legislation on page 12 as far as, the "community benefits agreement must include, without limitation," has a variety of things. If you got down to (c) (1), (2) and (3), number 2 is donation of tickets. Like, donation of tickets to whom? To where? To what? "Programs to support youth baseball in underserved communities," but then on [paragraph] (d), so I guess it would be [subsection] 2(c), number (2) talks about tickets, and then [subsection] 2(d) talks about a community suite for charitable, community or economic development organizations. So I guess I wanna know exactly what that's aimed at. The other term sheet talked about nonprofits. So what types of organizations would and would not fit?

MR. HILL:
The additional document provides a certain amount of specificity. There is a conversation that will need to take place at the Stadium Authority Board level to completely determine what will be in the community benefits agreement, but that is a minimum set of commitments that the A's have made. Their intention—and many sports teams do this on a very regular basis—nonprofit organizations in the community [inaudible] baseball around the sport that they play where they feel there is a small business spotlight that will be at each game, that is, I think, potentially very beneficial for the small businesses, all of those different types of groups that may benefit from either participating in those games or a spotlight at those games is what the A's have in mind.

SENATOR SEEVERS GANSERT:
Thank you. Those make sense. What I'm concerned about are like politically-affiliated organizations. We want to make sure that these are nonprofits, like Opportunity Village, and not a PAC [Political Action Committee] or a politically-affiliated entity. And there really isn't anything, exclusions, on this, and some of those are nonprofits. They would fit into that broad category, and I just want to make sure that this is used for the benefit of the community, not for certain institutions or entities.

MR. HILL:
We will certainly take that input. And that is the intent. We'll make sure that is in the final agreement.

SENATOR SEEVERS GANSERT:
So the intent is not to be able to use it for politically-oriented organizations. It's really for community nonprofits and maybe economic development, if we have some. For instance, the Las Vegas Visitors Authority might want to bring an organization in. So thank you for that.

And then in looking at page 14 under [Section 23], number 8(b), it talks about an "evaluation of the compliance of the developer partner and the Baseball Stadium Events Company." What organization or what did that evaluation look like? What's the arms-length evaluator for that type of compliance, for the compliance itself?

MR. HILL:
Senator Gansert, I'm not sure I understand the question.

SENATOR SEEVERS GANSERT:
Well, it talks about that there has to be a judgment. They issue an "evaluation of compliance of the developer partner and the Baseball Stadium Events [Company] with the terms of the [community benefits agreement]," right? So who's evaluating whether they are in compliance or not?

MR. HILL:
The first step in that would be the community oversight committee. It's appointed, as we outlined in this amendment. If it gets to the point that the community oversight committee does not feel that they are able to be effective with either the developer partner or the Stadium Events Company, then they can bring that issue to the Stadium Authority Board, who would also make that judgement. And then ultimately if the Stadium Authority Board agreed and took that into the judicial system, a judge would ultimately decide.

SENATOR SEEVERS GANSERT:
Thank you. I think it's important to have arm's length, you know, eventually, if it gets to that, to make sure there's a fair evaluation of the compliance. And then bigger picture. This is set up with the Stadium Authority creating this external entity and a developer partner. What happens if the developer partner changes? What happens if the team is sold to someone else? I don't see any language in here specifically around that.

MR. HILL:
The original law is written, and it continues to apply, that those types of changes have to be approved by the Stadium Authority Board and that approval cannot be unreasonably withheld.

SENATOR SEEVERS GANSERT:
Okay. Thank you. And then when looking at the members of the one I'll call the advisory board, but the one board, they have four-year terms. And there's no limits on terms on terms is the way that I read that. So you're appointed, you have a four-year term until you just no longer—I guess that'd be a reappointment every four years but no term limit on that.
Is that correct?

MR. HILL:
Yes. That's correct.

SENATOR SEEVERS GANSERT:
Thank you. That's all I have for now. Thank you.

SENATOR NEAL:
So I had two questions. It's on page 34, and this is related to the repay of the special obligation. This is after the waterfall. I'm gonna make a comment, and then I'm going to tie in the question. I know you've been reading the media about the county and their ability not to be able to give $40 million for this Formula 1 for the streets, asking for public money to be put up.

It gave pause for concern that although we're creating this waterfall, although we're creating this secured system to repay public money, it has not actually been established that the county can afford to do this act. Do you have any actual documentation that proves that the county can actually afford to pledge their half of the revenues that are local? Because when they say, well, we don't have $40 million to go and repave the street for Formula 1 event that's already on the books to happen, it gives a pause for concern. Have you guys had that conversation with them?

MR. HILL:
I believe Chair Gibson from the county will appear or is available for that question as well. And so I don't really want to speak for the county, but I think, if worded precisely, it would be that they don't prioritize that particular funding for that particular project over the—I don't know how big their general fund is, but it's in the $2-plus billion range. So they have the ability, certainly, to execute what is in this bill.

SENATOR NEAL:
Okay. Thank you for that. So that's good if the county is somewhere down South. I think that's an important question to get asked and answered on the record from the county. The second question was on page 25, and it's in section 30. And this has to do with the credit enhancement piece and what I'm curious to know—and I don't know if this is something that was overlooked or it should be struck out now that we have an understanding on how the State will be involved and the limitations of the State—but if you look at line 32, where it says what can be the form and so after "other financial instrument" and then it says, "or structure." What is structure? What is "or structure?" What can that be the form of, and is that something that we should have eliminated because it's vague in regard to what credit form that could be or what that is?

MR. AGUERO:
I think "or structure" just allows there to be some flexibility relative to exactly how it's going to be structured within the State Infrastructure Bank as indicated here or more broadly some other type of structure. Until all of the revenues are identified, until we walk through this process, exactly how that structure is going to exist is not perfectly known. This simply allows some degree of flexibility in terms of how that might look.

SENATOR NEAL:
Thank you for that response, because the way I read it, when it says "or other financial instrument," I'm assuming that it would be "other financial structure."

MR. AGUERO:
Obviously the entire sentence is there to provide a broad cross-section, right? There's so many tools that are available to the State Treasurer from a finance perspective, and just making sure that he or she is ultimately able to structure something in a way that is in the best interest of the State of Nevada, allowing that flexibility is provided solely for that purpose.

SENATOR NEAL:
Okay. Thank you for that.

SENATOR HARRIS:
My question is about the structure of the Stadium Board Authority and how we will ensure that funds are managed properly so that the State doesn't have to eventually when it gets down to the waterfall—well, I guess it's a reverse waterfall of sorts—but once it gets down to where the State has to pull some money out of its pocket, what are the protections for the State on that board to make sure things are running the way that they should be given our skin in the game, so to speak?

MR. HILL:
The protections are this law and have worked exceptionally well since 2016 when it was passed. The Stadium Authority does not have discretion with how—other than within the pockets of money that are available—we can't change what the amount of money that is

available in each one of those waterfall areas. So we do have discretion to approve the maintenance plan for the stadium within the boundaries of the amount of money that has become available in that bucket of the waterfall, but we have no authority to change the flow of that money at all.

SENATOR HARRIS:

So I said waterfall but really what I was referring to is the … I guess it's like a reverse waterfall where if things don't go well, there are a list of sources of dollars with which those bonds can be repaid and the State is now at the bottom. So my question's really about who is protecting the State's interest on that board?

MR. HILL:

I believe we are all protecting the State's interest on that board. That's our job. That's why that this law and this body has created that board, and it is completely prescriptive. So we just don't have the discretion not to do that.

SENATOR HARRIS:

Okay. Thank you.

SENATOR CANNIZZARO:

Okay. Mr. Hill and Mr. Aguero, thank you very much for being here to answer questions on the amendment. I appreciate it very much. We will let you exit.

SENATOR NEAL:

Mr. Powers, I had a question on page 27, line 19. Before I ask the question, thank you for the sovereign power language. You're just a ball of awesome.

So I wanted to ask a question because when you read line 19, when it allows for the State Treasurer to gather, "shall gather," I wanted to get your clarification on the meaning of that word in the context of that power that's in that section from lines 19 through 24.

MR. POWERS:

Based on how the amendment is structured now, the State Treasurer has a duty to make sure that the designated fund for the credit enhancement has a minimum amount. When it falls below the minimum amount, then the State Treasurer has to go in the order of priority listed on page 27 to acquire unencumbered money that's not already committed for expenditure. So what it would mean then is that if there's a credit draw—which has to be approved by the IFC first—so if there's a credit draw that's approved by the IFC and that designated fund for the credit enhancement falls below that minimum amount, then the State Treasurer gathers funds that are unencumbered, beginning with any amount of legislative appropriations that have been made to replenish the fund. If that's not enough, then the State Treasurer looks to the legally available funds in the Nevada State Infrastructure Bank Fund. And if that's not enough, it looks towards interest in the designated fund for the credit enhancement. If that's not enough, it then looks to the Consolidated Bond Interest and Redemption Fund. If that's not enough, then the State Treasurer looks to funds deposited in the rainy day account and then finally in the unreserved balance of the State General Fund.

Now, realistically speaking, it's unlikely that the State Treasurer would have to move through all those funds to the unreserved balance in order to replenish the designated fund for the credit enhancement. But the two checks on the State Treasurer are, one, the county treasurer has to ask for the draw. The State Treasurer cannot do anything on [inaudible] discretion, the county treasurer has to trigger it. And two, IFC has to approve the draw for the payment of the bond debt service. And then at that point, if necessary, the State Treasurer would replenish from those order of priority accounts that I mentioned.

SENATOR NEAL:

Thank you. I love this provision in the bill, and I think it was the best provision that we could have added in order to protect the State and allow for some balance in regards to the General Fund that we have to oversee as a legislature. And so I want to thank you, Mr. Powers, just for being awesome.

MR. POWERS:
All of LCB Legal loves well-drafted legislation, even though we do not support any particular, policy, viewpoint or piece of legislation. Thank you.

SENATOR CANNIZZARO:
And we'll, of course, second that you and all of LCB Legal are very awesome, and we're very appreciative for all of your hard work.

SENATOR GOICOECHEA:
Along those same lines, I am just kind of concerned. We are actually removing the Treasurer out of this, and yet we're delegating him, you've gotta do this and find this and go here. And yet in the end, we are not allowing him to sit on the board. I guess that kind of concerns me. Clearly, I would feel a lot more comfortable if our chief financial officer, who is the State Treasurer, was, in fact, involved, and I'm very concerned about we're designating, okay, you'll find this money here, here, here, here. This is the steps. But actually when we get into section 36, we're telling—but again, you don't have a place on the board.

MR. POWERS:
Just as a matter of a nonpartisan response, as originally proposed, the State Treasurer was supposed to be an ex officio, nonvoting member. So the State Treasurer would not be able to control any [inaudible] activity of the Stadium Authority because the Stadium Authority [inaudible]. However, even though the State Treasurer is being removed as a nonvoting, ex officio member, nothing stops the State Treasurer or a representative of the State Treasurer from being present at any of the meetings of the Stadium Authority and expressing the State Treasurer's viewpoint on any actions of the Stadium Authority.

SENATOR GOICOECHEA:
But again, at this point, the way I see this legislation, then the State Treasurer would have to come before IFC to voice those concerns. I mean, that would be his venue, as I'm reading this, correct?

MR. POWERS:
That is correct.

SENATOR SPEARMAN:
So it may have been asked and answered already, but I just need the distilled version of what happens if the county can't pay. There's currently a lawsuit pending, and if they have to pay that, if there are others that we don't know about, and I know that the State is "protected," but somebody has to pay this. And I'm concerned about taxpayers in the county. So the county defaults, after you go through one, two, three, four, five, six and that still is not a remedy, who pays the debt?

MR. POWERS:
Because the county is issuing general obligation bonds backed by the full faith and credit of the county, the county before it defaults has a duty under the federal and state contract clauses to increase taxation as necessary to pay back the bondholders because they have a contract with the bondholders that's protected by the contract clause. So ultimately, the State would never be required to cover any deficiency in revenue to pay for the bonds. Ultimately, the county would be required to cover that deficiency. If they have enough money in the county bond redemption fund already, then they don't have to turn to the taxpayers, but in the worst-case scenario, if State revenues were low and other revenue sources in the bill didn't meet the bond-debt obligation, then the county would have to look to the county taxpayer.

SENATOR SPEARMAN:
So in order to satisfy the debt, a zero amount remaining, so it would have to raise taxes. And the particular county we are talking about is Clark County. So they would have to raise taxes so that they could make good on the debt, yes?

MR. POWERS:
That is correct, but that is the case always with county general obligation bonds. If the county cannot meet the debt service from dedicated revenues from those bonds, it has to turn to the taxpayers to pay those bonds because the county has a contract with the bondholders that's protected by the contract clause.

SENATOR OHRENSCHALL:
Actually, I'm not sure if my question is for Mr. Powers or maybe someone from the Fiscal Division. But section 36 with removing the State Treasurer as an ex officio member of the Stadium Authority Board of Directors, I'm just a little worried that that removes a fiduciary interest for the State. And I wonder, will our LCB or our Fiscal Division, if this passes in this form, be monitoring what happens at the Stadium Authority Board, or is that something that we would need to ask or Legislative Commission to ask in terms of monitoring and protecting the State's financial interests? And perhaps my question is actually for someone in the Fiscal Division.

WAYNE THORLEY (Deputy Fiscal Analyst, Fiscal Analysis Division, Legislative Counsel Bureau):
Certainly, given that this amendment requires the Interim Finance Committee to take certain actions in certain circumstances, the Fiscal Analysis Division will be monitoring the activities of both the Stadium Authority and the pledged revenue that is going to repay the bonds so that if the provisions relating to the Interim Finance Committee are invoked, then we are prepared to advise the committee accordingly.

SENATOR OHRENSCHALL:
Thank you, Mr. Thorley.

SENATOR SEEVERS GANSERT:
So a question was posed to me by one of my colleagues around Clark County. So much of this proposed bill has to do with Clark County and their commitment to this deal, and we really haven't heard anything firsthand from Clark County. So I don't know if they've passed a resolution or something at their level to provide to us or if we need to hear from them that they're agreeable to what we have before us. Thank you.

SENATOR CANNIZZARO:
I don't have anyone from Clark County, obviously, here today to speak to that. Certainly, I think we are all able to reach out to various individuals associated with Clark County or elected officials. We don't have anyone here for this work session. This is really just to kind of go through the particulars of amendments that have been proposed through various conversations with members and from the hearing and the questions that came from members during the hearing about concerns that came up. So unfortunately I don't think that we have that today, but certainly would encourage any members of the committee to reach out to folks in Clark County as you may see fit.

SENATOR STONE:
So I'm looking at this amended deal now that the maximum exposure that the State of Nevada has is $60 million in transferrable tax credits if all goes south, which according to my calculations, if we're looking at a $1.5 billion stadium, is looking at a 4 percent investment. Is that correct? Assuming that all the revenue coming from the site is derived from the site and we wouldn't have that revenue unless the stadium was built, correct?

MR. POWERS:
That's beyond the scope of LCB Legal, so I would either hand the ball off to our Fiscal Division, who would provide better analysis or Mr. Aguero. Thank you.

MR. THORLEY:
Senator Stone, I don't know that it's accurate to say that's the maximum exposure, the $60 million. Of course, the State is putting up $180 million. Some of that would be repaid if

there is sufficient revenue collected and that is distributed through the waterfall. However, that is not a certainty. So if—

SENATOR STONE:
Let me rephrase that. In a best-case scenario, our maximum exposure is 4 percent?

MR. THORLEY:
Assuming revenue is collected in a sufficient amount that the refundable portion of the transferrable tax credits are repaid up to the full amount, then there would be the $60 million exposure, plus the $14 million General Fund appropriation, in section 38 of the bill is also a requirement on the State to make that appropriation.

SENATOR STONE:
Then if any time after the agreement is signed and propagated, the stadium comes under construction, at any time during that construction phase or after the construction phase if the developer defaults or relocates the team, that all bonds, all debts incurred by both the county of Clark and Nevada would be fully repaid by the developer or owner?

MR. THORLEY:
Senator, I'm not sure which section you're looking at.

SENATOR STONE:
I'm not pointing to any particular section. I thought I read a section that said if the team owner defaults, that all debts taken out on behalf of the developer, on behalf of Clark County, on behalf of the State of Nevada, have to be repaid by the developer or owner.

MR. POWERS:
With regard to the non-relocation provision, if after the stadium is built and operating and the ball team wants to relocate, they do have to pay a significant penalty and that is including paying back all outstanding obligations at the time that they attempt to relocate. [Inaudible] Major League Baseball team essentially breaches the lease agreement and wants to relocate, it violates that non-relocation provision, then there is a penalty on the Major League team. They are required to stay in the lease for 30 years, and if they try to relocate, then they are forced to pay that significant penalty.

SENATOR STONE:
Okay. And I appreciate that answer. And so I guess my next question will be—I don't know who is going to answer this question—but I was told that we were gonna be seeing clean amendments to this deal, and I think that the [Proposed] Amendment 3001 is a better amendment for this State. But I'm looking at [Proposed] Amendment 3003, and I don't see a nexus to this deal. Am I right, or am I wrong?

MR. POWERS:
The Senator's question raises two issues: one, whether [Proposed] Amendment 3003 falls within the subject of the Governor's proclamation and call for the special session; and two, whether [Proposed] Amendment 3003 falls within the single-subject requirement under Article 4, section 17, of the Nevada Constitution. I'm going to address those separately.

In 2012, Article 5, section 9, of the Nevada Constitution was amended and also the Constitution had a provision added that allowed the Legislature to call itself into special session. Both of those provisions were amended so they had the same language. What those provisions provide, in this case, because the Governor called this special session we will focus on Article 5, section 9, is that the Governor specifies the legislative business to be conducted at the special session, and the Legislature cannot pass any bills other than those that fall within that legislative business.

Now prior to the 2012 amendment, there were two Nevada Supreme Court cases only that dealt with the subject call of the special session. The first case from 1867 dealt with a situation where after the adjournment of the regular session the Governor vetoed a bill. Ordinarily, the Secretary of the State returns that bill to the next regular session. However, the Governor called a special session shortly after the regular session, and during that special session when the veto

message was read, both houses determined to override the veto even though the Governor didn't bring that piece of legislation to the attention of the Legislature during the special session. The Nevada Supreme Court said, because the Legislature was not provided with that authority to review that piece of legislation, then the Legislature could not override the veto in that special session.

The next case involving the Nevada Supreme Court was in 1940, and in that case, during the special session, under the prior constitutional provision, the Governor could convey additional messages to the Legislature and allow them to take action on additional legislation. That's no longer in Article 5, section 9. However, the message given by the Governor to the Legislature was to enact legislation dealing with the State Bar. The Legislature during the special session created the State Bar as a nonprofit corporation during the state. Someone challenged that, saying that that was outside the scope of what the Governor had asked for. The key principle there is that the Nevada Supreme Court said that legislation will be found to be within the scope of the call by any reasonable construction.

In that case from 1940, the Nevada Supreme Court cited a case from Texas, *Baldwin v. State*, and in that case, there was a call by the Governor for a special session, and the Texas Governor said that the special session was to reduce taxes on property taxes and occupational taxes. The Legislature did neither of those things. The Legislature passed a bill that actually increased taxes on occupations. The Texas Supreme Court said that the subject matter of the call was taxation, and within that subject matter of the call, the Legislature is a free agent to determine the scope of the legislation that falls within that subject matter.

So in this case, the Governor issued his proclamation, and he specified that the special session was called to deal with financing and infrastructure projects related to a Major League stadium in Clark County that was similar to legislation that was considered during the 2023 regular session. The subject matter there though, under plenty of case law, is financing and infrastructure. Everything else in the proclamation is considered advisory, and the Legislature is not bound by those advisory components of the proclamation. So the subject matter of the call here is financing and infrastructure.

The mockup 3003 deals with economic infrastructure projects. For example, construction of railroad and maintenance of railroad and monorails, that deals with economic infrastructure. In addition, the other provision being added dealing with the economic opportunity to bring businesses in the State—so they get a reduction in their tax burden. So in order to get that tax advantage, this piece of legislation would add an amendment saying they have to have paid family and medical leave—but that whole program is to incentivize businesses by giving them a tax advantage to come to the State to improve the economic infrastructure of the State.

So both of these amendments we believe are related to the concept of economic infrastructure. The Governor's proclamation involved economic infrastructure, and the courts will take every reasonable construction to find that the proposed legislation fits within the call of the Governor. Therefore, it's the opinion of LCB Legal that this amendment that you see, Proposed Amendment 3003, fits within the scope of the Governor's call.

That brings me to the single-subject requirement in Article 4, section 17. That requirement requires every piece of legislation to involve a single subject. However, every part of the legislation only needs to relate to the single subject in the title. Not all pieces of legislation have to relate directly to each other. So this amendment, [Proposed] Amendment 3003, deals with economic infrastructure. S.B. 1, as it stands now, deals with economic infrastructure. All of those provisions relate to the title of the bill, which is dealing with economic infrastructure. So it's the opinion of LCB Legal that this amendment, 3003, fits within the subject of the single-subject requirement.

That was a long and extended answer. I appreciate the indulgence of the Chair.

SENATOR STONE:

Thank you for your long explanation, and I appreciate your position, albeit I don't agree with it. And I know that the courts haven't always agreed with your decisions, but let it be that. For me, it doesn't pass the smell test. I don't think that the Proposed Amendment 3003 meets the spirit supporting this A's agreement, and as a result, it may jeopardize my vote for this very important project for Nevada. Thank you.

SENATOR CANNIZZARO:

Thank you, Mr. Powers. We appreciate you being able to answer all of our questions and walk us through this amendment. And we will let you go.

I did have one thing I wanted to clarify. I know in this particular amendment there is mention of an appropriation for $14 million set for July 1st of 2024, and I'm gonna ask Fiscal staff to help me out with this one. I believe that there had been some discussion that it may be more prudent to draft this as "on passage and approval" so that that $14 million would be appropriated sooner rather than later. So I just wanted to confirm, and I don't know if, Mr. Thorley, you might be able to just confirm that with us. And so that would be one change to this particular amendment as it should have been "upon passage and approval," not with the July 1st, 2024 date.

MR. THORLEY:

Yes. The $14 million General Fund appropriation in section 38 of the bill would be [effective] upon passage and approval, thereby having the appropriation come out of the current fiscal year, FY23, fund balance and not a future fiscal year's fund balance.

SENATOR CANNIZZARO:

Members, you will recall we were just in a work session. We had time to go through the documents that were presented to us and for members to ask questions. We have two proposed amendments: It's [Proposed] Amendment 3001 and 3003. There is one technical change that needs to be made to 3001 for the committee's consideration, which we discussed with Fiscal staff at the end, which is instead of the July 1st, 2024, date it would be [effective] upon passage and approval so those funds can be appropriated out of the current fiscal year.

With that, members of the committee, I would accept a motion to amend, do pass, with both Amendments 3001 and 3003, with the one change that I noted to the date for the appropriation.

Senator Dondero Loop moved to amend, and do pass as amended Senate Bill No. 1.

Senator Lange seconded the motion.

Motion carried. Senators Goicoechea, Harris, Neal, Nguyen, Scheible, Spearman and Stone voted no.

On the motion of Senator Lange, seconded by Senator Dondero Loop, the committee did rise and report back to the Senate.

SENATE IN SESSION

At 2:05 p.m.

President pro Tempore Spearman presiding.

Quorum present.

REPORTS OF COMMITTEE

Madam President pro Tempore:

Your Committee of the Whole, to which was referred Senate Bill No. 1, has had the same under consideration, and begs leave to report the same back with the recommendation: Amend, and do pass as amended.

NICOLE J. CANNIZZARO, *Chair*

SECOND READING AND AMENDMENT

Senate Bill No. 1.

Bill read second time.

The following amendment was proposed by the Committee of the Whole:

Amendment No. 1.

SUMMARY—Revises provisions governing stadium infrastructure projects. (BDR S-9)

AN ACT relating to economic ~~[development;]~~ economic infrastructure projects; enacting the Southern Nevada Tourism Innovation Act; amending the Southern Nevada Tourism Improvements Act; requiring under certain circumstances the establishment in Clark County of a sports and entertainment improvement district for the financing of a Major League Baseball stadium project; authorizing the Clark County Stadium Authority to carry out the provisions of law governing the Major League Baseball stadium project; requiring the creation of a ~~[resort corridor]~~ Clark County homelessness prevention and assistance fund; authorizing the pledge of certain taxes, fees and charges for the payment of bonds and other purposes relating to the financing of the Major League Baseball stadium project; ~~[authorizing]~~ requiring the State Treasurer , under certain circumstances, to provide a credit enhancement on bonds issued to finance the construction of the Major League Baseball stadium project; requiring the issuance of general obligations of Clark County for the financing of a Major League Baseball stadium project under certain circumstances; authorizing the issuance of transferable tax credits to developer partners for qualified projects relating to the Major League Baseball stadium project; eliminating certain exemptions from prevailing wage requirements relating to railroad companies or monorails; requiring certain new or expanding businesses to provide certain paid family and medical leave to employees in order to qualify for a partial abatement of certain taxes; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law creates the Clark County Stadium Authority as a public body to carry out the provisions of the Southern Nevada Tourism Improvements Act governing the National Football League stadium project ~~[.]~~ , and existing law provides for the Stadium Authority to be governed by a Board of Directors. (Chapter 2, Statutes of Nevada 2016, 30th Special Session, at page 19)

This bill enacts the Southern Nevada Tourism Innovation Act to establish a method to finance a Major League Baseball stadium project. Sections ~~[3-17]~~ 4-17 of this bill define terms for the purposes of the Southern Nevada Tourism Innovation Act. Sections 18-35 of this bill establish a method to finance the design, entitlement, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation ~~[or]~~ and maintenance of a Major League Baseball stadium project.

Section 21 of this bill authorizes the Stadium Authority to exercise certain powers which are in addition to the powers granted to the Stadium Authority under the Southern Nevada Tourism Improvements Act.

Section 28 of this bill requires that, upon receiving notification that the Stadium Authority has taken certain actions relating to the relocation of a

Major League Baseball team, the Board of County Commissioners of Clark County ~~[to]~~ must create a sports and entertainment improvement district ~~[in unincorporated Clark County]~~ , the general location of which is the southeast corner of Las Vegas Boulevard and Tropicana Avenue in Clark County, to assist in the financing of a Major League Baseball stadium project . ~~[and authorizes the Board to amend or modify the geographic boundaries of the district by ordinance.]~~ Under section 28, the sports and entertainment improvement district is required to: (1) be located entirely within Clark County and outside the boundaries of any incorporated city; (2) include only parcels of land, or portions thereof, on which the Major League Baseball stadium project is located or will be located and any surrounding or adjacent properties necessary for the operation of that project; and (3) not include any operating hotel or other public accommodation facility or any operating licensed gaming establishment. Section 28 authorizes the Board of County Commissioners to amend or modify the boundaries of the sports and entertainment improvement district but prohibits such an amendment or modification from: (1) impairing any bonds issued to finance the construction of the Major League Baseball stadium project; (2) excluding from the sports and entertainment improvement district any parcel of land, or portion thereof, on which the Major League Baseball stadium project is or will be located or any surrounding or adjacent property necessary for the operation of that project; or (3) including within the district any operating hotel or other public accommodation facility or any operating licensed gaming establishment

Section 22 of this bill requires the Stadium Authority to negotiate and enter into a development agreement, lease agreement and non-relocation agreement with respect to the Major League Baseball stadium project if the Board of Directors determines that a Major League Baseball team has committed to locate or relocate within the sports and entertainment improvement district. Section 22 also establishes requirements for ~~[a]~~ the development agreement, lease agreement and non-relocation agreement. Section 33 of this bill sets forth additional provisions which must be included in the development agreement, lease agreement and non-relocation agreement, including, without limitation, the maximum financial contribution of the Stadium Authority to the development and construction of the Major League Baseball stadium project. Section 24 of this bill provides for the confidentiality of certain information provided to the Stadium Authority under certain circumstances. Section 25 of this bill generally exempts the Major League Baseball stadium project from laws requiring competitive bidding or specifying procedures for the procurement of goods or services, and from ~~[the statutory provisions]~~ laws governing public works projects, except that the pertinent construction contracts must comply with the statutory prevailing wage provisions and, if the Stadium Authority determines a subcontract can be competitively bid without affecting the quality of the project, the subcontract must be competitively bid. Additionally, section 26 of this bill requires that any contract or agreement

entered into by a prime contractor for the construction of the Major League Baseball stadium project must include provisions requiring that at least 15 percent of the subcontracts for the project must be with small local businesses.

Section 27 of this bill requires the Stadium Authority to retain the sole and exclusive right to enter into agreements for the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the Major League Baseball stadium project to generate revenues for the construction of the Major League Baseball stadium project.

Section 34 of this bill requires the Board of County Commissioners of Clark County to issue general ~~[obligations]~~ obligation bonds of the County upon the request of the Board of Directors of the Stadium Authority ~~[and once]~~ if certain requirements have been met. ~~[in an amount that can be supported by the proceeds of certain taxes, fees and charges described in section 29 of this bill.]~~ Section 34 also requires the proceeds from the issuance of the general ~~[obligations]~~ obligation bonds to be distributed to the Stadium Authority and used for certain purposes related to the Major League Baseball stadium project.

Sections 29 and 30 of this bill enact provisions governing the sources of revenue used to pay the debt service on bonds issued by the County pursuant to section 34. Section 29: (1) requires the Board of County Commissioners, in order to pay the principal and interest on bonds issued by the County pursuant to section 34 and to make certain other payments, to pledge the proceeds of certain taxes, fees and charges imposed by the State and the County; and (2) provides that, with respect to the taxes, fees and charges imposed by the State, such a pledge does not constitute a pledge of the full faith and credit of the State and does not prevent the Legislature from enacting, amending or repealing any law or other legislative measure relating to those taxes, fees or charges. Section 30 of this bill ~~[authorizes]~~ : (1) requires, under certain circumstances, the State Treasurer to provide a credit enhancement on bonds issued to finance the construction of the Major League Baseball stadium project ~~[, and sections 38 and 40]~~ Section 41 of this bill make an appropriation, effective ~~[on July 1, 2024,]~~ of ~~[$25 million]~~ $14,000,000 to the Nevada State Infrastructure Bank Fund for this credit enhancement ~~[.]~~ , effective upon the passage and approval of this act.

Section 32 of this bill requires the county treasurer of Clark County, after paying any principal, interest or other costs due in connection with any bonds ~~[or securities]~~ and establishing a reserve fund, to transfer the proceeds of the taxes, fees and charges pledged to the financing or refinancing of the Major League Baseball stadium project to the Stadium Authority to be used for certain purposes.

Section 31 of this bill authorizes a developer partner of a qualified project to apply to the Stadium Authority for a certificate of eligibility for transferable tax credits. Section 31 prohibits the Stadium Authority from

approving more than $36,000,000 in transferable tax credits in a fiscal year or $180,000,000 in total for all qualified projects in this State.

Section 20 of this bill requires the Board of County Commissioners to create a ~~[resort corridor]~~ Clark County homelessness prevention and assistance fund to provide assistance to people who are at risk of becoming homeless or are currently experiencing homelessness by supporting certain programs. Section 23 of this bill requires, as part of the development and operation of the Major League Baseball stadium project, the development of a community benefits agreement and the creation of a baseball stadium community oversight committee to oversee the implementation and administration of the community benefits agreement.

Section 35 of this bill provides that the authority of the Board of Directors to undertake the Major League Baseball stadium project expires under certain circumstances.

Sections ~~[36 and 37]~~ 36-37.5 of this bill revise the membership of the Board of Directors of the Stadium Authority.

Existing law authorizes a person who intends to locate or expand a business in this State to apply to the Office of Economic Development for a partial abatement of certain taxes. The Office is required to approve an application for such partial abatement if the Office makes certain determinations. (NRS 360.750) Section 39 of this bill revises the determinations the Office must make to approve an application for such a partial abatement to require that a business provide certain paid family and medical leave to employees of the business. Section 39 requires a business that will have at least 50 full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective to by the earlier of the eighth calendar quarter following the calendar quarter in which the abatement becomes effective or the date on which the business has at least 50 employees on the payroll of the business: (1) have a policy for paid family and medical leave; and (2) agree that all employees who have been employed by the business for at least 1 year will be eligible for at least 12 weeks of paid family and medical leave at a rate of at least 55 percent of the regular wage of the employee. Further, the business must agree in writing that the business will not take certain actions in relation to an employee's use of such paid family and medical leave. Section 39 also provides that if a business has a policy for paid family and medical leave for employees on the payroll of the business outside of this State that meets or exceeds the requirements for a policy of paid family and medical leave set forth in section 39 and the business agrees in writing that its employees on the payroll in this State are eligible for paid family and medical leave under the policy, the Office must determine that the business' policy meets the necessary requirements for obtaining the partial abatement.

Existing law requires that every contract to which a public body is a party that requires the employment of certain workers to perform the public work must require that such workers be paid at least the wages prevailing for the

type of work that the worker performs in the region in which the public work is performed. (NRS 338.020) Existing law exempts from the requirements to pay the prevailing wage any work, construction, alteration, repair or other employment performed, undertaken or carried out, by or for any railroad company or any person operating the same, regardless of whether a public body is party to the contract. (NRS 338.080) Section 38 of this bill removes this exemption, and as a result, any such activity or employment may be subject to the prevailing wage requirements.

Existing law also exempts the work of or incident to the installation and operation of a monorail from the prevailing wage requirements. (NRS 705.690) Section 40 of this bill removes this exemption, and as a result, the work of or incident to the installation and operation of a monorail may be subject to the prevailing wage requirements.

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

Section 1. Sections 2 to 35, inclusive, of this act may be cited as the Southern Nevada Tourism Innovation Act.

Sec. 2. 1. The Legislature hereby finds that:

(a) Because the Las Vegas area is the most visited and economically significant tourism market within this State, the tourism industry within the Las Vegas area is critically important to the economy of that local area and this State, and the continued growth and success of the tourism industry within the Las Vegas area is particularly vital to the general welfare and prosperity of that local area and this State.

(b) A significant part of the continued growth and success of the tourism industry within the Las Vegas area depends upon the unique attractiveness, excitement, atmosphere and vitality of the Las Vegas Strip and the development of new, innovative and diversified facilities, venues and forms of entertainment within the Las Vegas area to ensure that the area may:

(1) Continue to be the preferred and premier destination for tourists from all walks of life in the ever-advancing technological age of the 21st century;

(2) Remain competitive with other national and international tourism destinations that are continually evolving and seeking to draw more tourists to their facilities, venues and forms of entertainment; and

(3) Retain its world-famous, unique and incomparably distinctive status as the Sports and Entertainment Capital of the World.

(c) It is in the public interest and beneficial to the public welfare to diversify, enhance and grow the largest tourism market in this State through the development of large-scale and one-of-a-kind convention, entertainment and sports venues and facilities within the Las Vegas area, including the Las Vegas Strip, by constructing and operating a state-of-the-art stadium capable of attracting professional sports franchises, such as teams from Major League Baseball, hosting national sporting events, such as the World Series and World Baseball Classic, playoff, tournament and championship

games, and holding other large-scale entertainment and sports events, such as concerts, festivals, motor sports, prizefighting and rodeos.

(d) Because the Las Vegas area, including the Las Vegas Strip, is the largest tourism market in this State and because the Las Vegas area, including the Las Vegas Strip, is world famous, unique and incomparably distinctive, the Las Vegas area is the only area in this State that:

(1) Is appropriate and suitable for the development of such large-scale and one-of-a-kind entertainment and sports venues and facilities; and

(2) Has all the necessary local and special attributes, conditions and resources that are essential to support such large-scale and one-of-a-kind entertainment and sports venues and facilities, including, without limitation, the necessary economic conditions, capital investment, and infrastructure that could support the development and operation of such venues and facilities, support industries and businesses, workforce, population and visitors.

(e) The Clark County Stadium Authority is positioned to play a significant role in the continued growth and success of the tourism industry within the Las Vegas area by facilitating the development and operation of such new, innovative and diversified facilities, venues and forms of entertainment within the Las Vegas area.

2. The Legislature hereby declares that:

(a) Because the Las Vegas area is the only area in this State that is appropriate and suitable for the development of such large-scale and one-of-a-kind entertainment and sports venues and facilities and has all the necessary local and special attributes, conditions and resources that are essential to support such venues and facilities, it is necessary to enact a law of local and special application to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and to benefit the residents of that local and special area.

(b) Therefore, given that a law of local and special application is necessary to promote, develop and secure the advantages of the local and special characteristics and circumstances within the Las Vegas area, which are found nowhere else within this State, and given that such a law is necessary to benefit the residents of that local and special area, a general law cannot be made applicable to the purposes, objects, powers, rights, privileges, immunities, liabilities, duties and disabilities set forth in this act.

Sec. 3. Except as otherwise provided in this act or unless the context otherwise requires, the terms used or referred to in this act have the meanings ascribed to them in the Local Government Securities Law, but the definitions set forth in sections 4 to 17, inclusive, of this act, unless the context otherwise requires, govern the construction of this act.

Sec. 4. "Baseball Stadium Events Company" means a person whose business is organized under the laws of this State for the purpose of leasing the Major League Baseball stadium project from the Stadium Authority and whose business is owned by:

1. The Major League Baseball team or its affiliate;

2. A developer partner or its affiliate; or

3. The Major League Baseball team or its affiliate and a developer partner or an affiliate of a developer partner.

Sec. 5. "Board of County Commissioners" means the Board of County Commissioners of Clark County.

Sec. 6. "Board of Directors" means the Board of Directors of the Stadium Authority appointed pursuant to subsection 1 of section 22 of the Southern Nevada Tourism Improvements Act, as amended by section 36 of this act.

Sec. 7. "Bonds" means one or more series of ~~[general]~~ :

1. General obligation bonds or other securities that are additionally secured by pledged revenues to the extent authorized ~~[to be]~~ by the provisions of this act and issued by the County pursuant to subsection 2 of section 34 of this act and the Local Government Securities Law ; and ~~[any general]~~

2. General obligation bonds or other securities that are additionally secured by pledged revenues to the extent authorized by the provisions of this act and issued by the County to refund all or a portion of ~~[such]~~ any outstanding bonds or other securities issued pursuant to subsection 2 of section 34 of this act and the Local Government Securities Law.

Sec. 8. "Capital investment" means all costs and expenses incurred by a developer partner or Baseball Stadium Events Company in a qualified project in connection with the acquisition, construction, installation and equipping of the qualified project.

Sec. 8.5. "Clark County homelessness prevention and assistance fund" means the fund created by the County pursuant to section 20 of this act.

Sec. 9. "County" means Clark County, Nevada.

Sec. 10. "Developer partner" means a person who provides money to pay the costs of the design, acquisition, construction, entitlement, leasing, improvement, financing, equipping, operation or maintenance, or any combination thereof, of the Major League Baseball stadium project or the cost of any capital improvements to the Major League Baseball stadium project.

Sec. 11. "Major League Baseball stadium project" means any enterprise to design, acquire, construct, entitle, lease, improve, equip, finance, operate or maintain, or any combination thereof, within the boundaries of the sports and entertainment improvement district a baseball stadium that is capable of hosting the home games of the Major League Baseball team and that complies with the provisions of section 22 of this act and all necessary or desirable appurtenances or incidentals thereof for the operation of the Major League Baseball stadium project.

Sec. 12. "Major League Baseball team" means the Major League Baseball team that is locating or relocating within the sports and entertainment improvement district.

Sec. 13. "Person" means a natural person, any form of business or social organization and any other nongovernmental legal entity, including, but not limited to, a corporation, partnership, association, trust or unincorporated organization. The term does not include a government, governmental agency or political subdivision of a government.

Sec. 14. "Qualified project" means a project that meets the definition and applicable requirements of a Major League Baseball stadium project, as set forth in this act.

Sec. 15. ~~[~~"Resort corridor homelessness prevention and assistance fund" means the fund created by the County pursuant to section 20 of this act.~~]~~ (Deleted by amendment.)

Sec. 16. "Sports and entertainment improvement district" means the district created by section 28 of this act.

Sec. 17. "Stadium Authority" means the Clark County Stadium Authority created by section 21 of the Southern Nevada Tourism Improvements Act.

Sec. 18. In addition to the powers and authority vested in the Stadium Authority pursuant to the Southern Nevada Tourism Improvements Act, the Stadium Authority is hereby authorized and empowered to undertake the development of the Major League Baseball stadium project pursuant to the terms of this act.

Sec. 19. The Board of Directors shall create a baseball stadium tax account and a baseball stadium capital projects fund to carry out the provisions of this act.

Sec. 20. 1. The Board of County Commissioners shall create a ~~[resort corridor]~~ Clark County homelessness prevention and assistance fund.

2. In managing the fund, the County shall coordinate with ~~[the Major League Baseball team and the Nevada Resort Association.]~~ local governments in the County that provide the services described in subsection 3.

3. Money in the fund shall be used exclusively to provide assistance to people who are at risk of becoming homeless or are currently experiencing homelessness by supporting programs which are designed to:

(a) Prevent homelessness;

(b) Help individuals and families to regain stable housing; or

(c) Diminish the incidence of homelessness ~~[in and around the Southern Nevada resort corridor.]~~ throughout the County.

4. To the extent practicable, money in the fund shall be invested in programs which provide a range of service, including, without limitation, emergency rental assistance, utility assistance, case management, job training, rehabilitation, respite and counseling services.

Sec. 21. In furtherance of the duties and responsibilities set forth in this act, the Stadium Authority may:

1. Apply for and accept any gift, donation, bequest, grant or other source of money to finance or develop the Major League Baseball stadium project.

2. Require and receive such audits and other measurements of the performance of a developer partner or the Baseball Stadium Events Company as it deems necessary to ensure that the operation of the Major League Baseball stadium project complies with the provisions of this act, except that the Stadium Authority may not require an audit of the general business of the Major League Baseball team or any developer partner.

3. Consider and approve or disapprove:

(a) An annual capital improvement budget for the Major League Baseball stadium project submitted by the Baseball Stadium Events Company.

(b) Any specific requests for capital improvements proposed by the Baseball Stadium Events Company or the Major League Baseball team.

4. Perform any other act that may be necessary, convenient, desirable or appropriate to carry out the powers and duties of the Stadium Authority with respect to the Major League Baseball stadium project.

Sec. 22. 1. The Stadium Authority shall negotiate and may enter into a development agreement, a lease agreement and a non-relocation agreement with respect to the Major League Baseball stadium project that complies with subsections 2, 3 and 5, as applicable, if the Board of Directors:

(a) Within 12 months after the effective date of this ~~[act]~~ section or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that Major League Baseball has authorized the Major League Baseball team to locate or relocate within the sports and entertainment improvement district;

(b) Within 12 months after the effective date of this ~~[act]~~ section or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after that effective date, finds that the Major League Baseball team has committed to locate or relocate within the sports and entertainment improvement district;

(c) Selects as a developer partner one or more persons who have:

(1) Disclosed to the Board as a matter of public record the identity of the person or persons;

(2) Provided documentation satisfactory to the Board to indicate that the person or persons selected to be a developer partner have an affiliation with the Major League Baseball team;

(3) Demonstrated to the satisfaction of the Board that the developer partner is able to successfully develop and construct the Major League Baseball stadium project; and

(4) Provided to the Board adequate financial security for the performance of the financial obligations of a developer partner for the development and construction of the Major League Baseball stadium project; and

(d) Selects a Baseball Stadium Events Company which has disclosed to the Board the identity of each of its owners and managers.

2. A development agreement for the Major League Baseball stadium project entered into by the Stadium Authority with a developer partner

selected by the Board of Directors pursuant to paragraph (c) of subsection 1 must require the location, design, fit and finish of the Major League Baseball stadium project to be consistent with first-class, premier Major League Baseball facilities currently in operation or approved for construction by Major League Baseball and:

(a) Identify the site of the project ~~[.]~~ , the general location of which must be in the County at the southeast corner of Las Vegas Boulevard and Tropicana Avenue;

(b) Set forth the overall design, scope and specifications of the project, which must include, without limitation, an enclosed baseball stadium with an attendance capacity of approximately 30,000 persons;

(c) Set forth the sources of financing to pay the costs of the development and construction of the project in a manner consistent with the provisions of sections 18 to 35, inclusive, of this act;

(d) Require the developer partner to provide periodic progress reports to the Board of Directors on the status of the development and construction of the project;

(e) Set forth the procedures for the provision of the periodic progress reports described in paragraph (d) and the information required to be included in such reports;

(f) State that any and all development and construction cost overruns for the development and construction of the project must be the sole responsibility of the developer partner, except that any cost overrun must not be the responsibility of the developer partner if the cost overrun is caused by a change in development or construction mandated by the Stadium Authority after the execution of the development agreement, other than a change in development or construction after the execution of the development agreement that is required to comply with a building code, including, without limitation, a change relating to building safety;

(g) Contain provisions that are consistent with sections 25, 26 and 33 of this act;

(h) Provide for an adequate contribution by the developer partner for the construction or improvement of any infrastructure, including, without limitation, infrastructure relating to transportation, parking, pedestrian traffic, public safety, utilities and safe and efficient airport operations, off the site of the project that is determined to be necessary for the project by the Department of Transportation, the County or any municipality in which the project is located and that is specified in the regional infrastructure and service evaluation required for a high impact project before a special use permit is issued for the project;

(i) Require that the developer partner ensure that no action or inaction by the developer partner, or any person hired or retained by the developer partner to act on behalf of the developer partner, in the development or construction of the project results in a mechanic's lien or judgment lien

against the project that is not cured by the developer partner within a customary amount of time using commercially reasonable efforts, which must be determined in accordance with the laws of this State and must be such time and efforts as are approved by the Board of Directors;

(j) Take into consideration the use of multimodal facilities that use alternative modes of transportation and do not have detrimental impacts on other permitted transportation projects; and

(k) Contain such other terms as deemed necessary and appropriate by the Stadium Authority.

3. A lease agreement entered into by the Stadium Authority with the Baseball Stadium Events Company described in paragraph (d) of subsection 1 must set forth the requirements and responsibilities of the Baseball Stadium Events Company with respect to the operation of the Major League Baseball stadium project and must:

(a) Be for a term of not less than 30 years and may include rights for the Baseball Stadium Events Company to renew the lease agreement with the approval of the Stadium Authority;

(b) Grant the Baseball Stadium Events Company full operational control of the project;

(c) Not contain any provision that interferes with the discretion of the Baseball Stadium Events Company to operate the project, including, without limitation, a provision restricting in any manner the programs or events that may be held at the project;

(d) Authorize the Baseball Stadium Events Company to enter into an agreement with another person to operate the project on a day-to-day basis, as deemed necessary or appropriate by the Baseball Stadium Events Company;

(e) Establish a minimum standard for the maintenance of, and capital reinvestment in, the project to ensure that the design and development standards set forth in sections 18 to 35, inclusive, of this act are maintained or enhanced throughout the term of the lease agreement;

(f) Provide for the annual allocation of the revenue from, and expenses of, the operation of the project in a manner consistent with sections 18 to 35, inclusive, of this act;

(g) State that the Baseball Stadium Events Company and the developer partner are liable jointly and severally for the operating losses of the project or the Baseball Stadium Events Company;

(h) Require an annual audit of the Baseball Stadium Events Company by an independent certified public accountant in this State who does not provide any similar or related services to a developer partner or the Major League Baseball team, or any affiliate, subsidiary, principal or related party of a developer partner or the Major League Baseball team, and who is selected by the mutual agreement of the Stadium Authority and the Baseball Stadium Events Company;

(i) Require the cost of the audit described in paragraph (h) to be divided equally between the Stadium Authority and the Baseball Stadium Events Company;

(j) Require that the term of any lease or sublease entered into by the Baseball Stadium Events Company with the Major League Baseball team must be at least 30 years;

(k) State that a person owning a controlling ownership interest in the Baseball Stadium Events Company may sell or otherwise transfer the person's ownership interest to a related or unrelated third party only upon the approval of the Stadium Authority and that the Stadium Authority must not unreasonably withhold such approval;

(l) Provide that the Stadium Authority must comply with the confidentiality provisions of section 24 of this act;

(m) Provide that the Baseball Stadium Events Company must fund annually a capital reserve in an amount sufficient to ensure the facility standard is maintained throughout the life of the Major League Baseball stadium project, as determined jointly by the Baseball Stadium Events Company and the Stadium Authority; and

(n) Such other terms and conditions as deemed necessary and appropriate by the Board of Directors.

4. The Stadium Authority may enter into a combined development and lease agreement that complies with the provisions of subsections 2 and 3.

5. A non-relocation agreement entered into by the Stadium Authority with the Baseball Stadium Events Company described in subsection 1 must:

(a) Set forth the requirements and responsibilities of the Baseball Stadium Events Company with respect to the conditions under which the Major League Baseball team may relocate from the sports and entertainment improvement district;

(b) Be for a term of not less than 30 years;

(c) Provide for damages in the event the Major League Baseball team relocates in violation of the agreement in an amount not less than:

(1) The amount required for the repayment of the principal and interest then outstanding on the bonds issued to finance or refinance the Major League Baseball stadium project;

(2) An amount equal to the then outstanding tax credits subject to repayment pursuant to paragraph (g) of subsection 4 of section 32 of this act; and

(3) Any costs resulting from early termination of such bonds; and

(d) Require the Baseball Stadium Events Company to provide evidence satisfactory to the Stadium Authority of the ability to satisfy the terms of the non-relocation agreement in the event the Major League Baseball team relocates in violation of the agreement.

6. The Stadium Authority shall be considered a third-party beneficiary of all agreements entered into by the developer partner, the Baseball Stadium Events Company and the Major League Baseball team with respect to the

development, design, construction or operation of the Major League Baseball stadium project.

Sec. 23. 1. The developer partner and the Baseball Stadium Events Company shall develop a community benefits agreement to ensure the greatest possible participation by all segments of the local community in the economic opportunities available in connection with the design, construction and operation of the Major League Baseball stadium project developed by the developer partner and operated by the Baseball Stadium Events Company. The community benefits agreement must be approved by the Board of Directors. The community benefits agreement must be reviewed and updated not less than once every 5 years and each such update must be approved by the Board of Directors.

2. The community benefits agreement must include, without limitation, provisions that:

(a) Establish requirements designed to ensure diversity among the workforce, subcontractors and vendors used to construct and operate the Major League Baseball stadium project;

(b) Require the payment of a living wage to employees of the Major League Baseball stadium project;

(c) Establish requirements for community engagement by the Baseball Stadium Events Company and the Major League Baseball team, including, without limitation:

(1) Participation by players of the Major League Baseball team in the community, including, without limitation, in education programs;

(2) The donation of tickets; and

(3) Programs to support youth baseball in underserved communities;

(d) Provide for the use of a community suite by charitable, community or economic development organizations;

(e) Require the developer partner and the Baseball Stadium Events Company to provide:

(1) Educational programming in the community, including, without limitation, by working in partnership with local colleges and universities to provide programs of career development for the sports industry; and

(2) Scholarships, internships and mentorship programs; and

(f) Require the developer partner and the Baseball Stadium Events Company to make an adequate financial commitment in the community, including, without limitation, an annual commitment of cash and in-kind services which must not be less than:

(1) During the period beginning with the calendar year in which the County issues bonds and ending in the calendar year following the calendar year in which a certificate of occupancy or other governmental authorization in order to operate the Major League Baseball stadium project is issued, $500,000 per calendar year.

(2) Beginning with the immediately succeeding calendar year after the end of the period set forth in subparagraph (1), an amount per calendar year

that is the greater of $1,500,000 or 1 percent of Major League Baseball team ticket revenue generated by the Major League Baseball stadium project for the calendar year.

3. A baseball stadium community oversight committee must be created to oversee the implementation and administration of the community benefits agreement developed pursuant to subsection 1. The baseball stadium community oversight committee is hereby authorized to enforce the provisions of the community benefits agreement which it was created to oversee.

~~[3.]~~ 4. The baseball stadium community oversight committee must ~~[include at least one member who is]~~ consist of seven members to be appointed ~~[by the Board of County Commissioners. The member appointed by the Board of County Commissioners]~~ as follows:

(a) Two members appointed by the Board of Directors, one of whom the Board of Directors shall designate to serve as the Chair;

(b) One member appointed by the Governor;

(c) One member appointed by the Majority Leader of the Senate;

(d) One member appointed by the Speaker of the Assembly; and

(e) Two members appointed by the Board of County Commissioners.

➥ In appointing members to the baseball stadium community oversight committee, the appointing authority shall consider whether the members appointed to the committee reflect the diversity of this State, including, without limitation, the age, gender, gender identity or expression, sexual orientation, ethnic and geographic diversity of this State.

5. A person must not be ~~[:]~~ appointed to the baseball stadium community oversight committee if he or she is:

(a) An elected official;

(b) An employee of the Major League Baseball team or an affiliate or related entity of the Major League Baseball team;

(c) A representative of a business that is engaged by a business providing goods or services to the Major League Baseball team or the Major League Baseball stadium project; or

(d) A representative of a labor union representing employees, or seeking to represent employees, working at or for the Major League Baseball stadium project.

6. The baseball stadium community oversight committee constitutes a public body for the purposes of chapter 241 of NRS.

7. In addition to such other reports as the Board of Directors or the baseball stadium community oversight committee may require, on or before December 31 of each even-numbered year, the developer partner and the Baseball Stadium Events Company shall jointly prepare and submit a community benefits progress and accountability report to the:

(a) Governor;

(b) Director of the Legislative Counsel Bureau for transmittal to the next regular session of the Legislature;

(c) County manager of the County;

(d) Chair of the Board of Directors; and

(e) Chair of the baseball stadium community oversight committee.

8. The report required pursuant to subsection 7 must include, without limitation:

(a) The terms of the community benefits agreement that were in effect during the period of time covered by the report;

(b) An evaluation of the compliance of the developer partner and the Baseball Stadium Events Company with the terms of the community benefits agreement identified pursuant to paragraph (a); and

(c) An evaluation of the effect of the Major League Baseball stadium project on the community at large.

9. The Board of Directors shall appoint a community benefits director to advise the baseball stadium community oversight committee and monitor the compliance of the developer partner and the Baseball Stadium Events Company with the terms of the community benefits agreement.

10. If the baseball stadium community oversight committee determines that the developer partner or the Baseball Stadium Events Company has failed to comply with the terms of the community benefits agreement, the community benefits director shall notify the developer partner, the Baseball Stadium Events Company and the Major League Baseball team in writing that the baseball stadium community oversight committee has made such a determination of noncompliance. Upon receipt of such a notice, the developer partner and the Baseball Stadium Events Company, in coordination with the Major League Baseball team, shall submit in writing to the community benefits director:

(a) A response to the determination of noncompliance by the baseball stadium community oversight committee which includes, without limitation, any reasons that the developer partner or the Baseball Stadium Events Company has not complied with the terms of the community benefits agreement;

(b) A description of the actions that that the developer partner or the Baseball Stadium Events Company will take to cure any noncompliance with the terms of the community benefits agreement; and

(c) A projected timeline by which the developer partner and the Baseball Stadium Events Company will be in full compliance with the terms of the community benefits agreement.

11. If the baseball stadium community oversight committee determines that the response submitted by the developer partner and the Baseball Stadium Events Company pursuant to subsection 10 is insufficient or the baseball stadium community oversight committee determines that the developer partner and the Baseball Stadium Events Company are not taking the actions set forth pursuant to paragraph (b) of subsection 10 in a timely manner, the baseball stadium community oversight committee shall notify the Board of Directors of its findings and may request that the Board of

Directors initiate legal proceedings to enforce the terms of the community benefits agreement.

Sec. 24. 1. Except as otherwise provided in subsection 3 and NRS 239.0115, the Stadium Authority shall keep confidential any record or other document provided to the Stadium Authority by a developer partner, the Major League Baseball team or the Baseball Stadium Events Company, which is in the possession of the Stadium Authority, if the person providing the information:

(a) Submits a request in writing that the record or other document be kept confidential by the Stadium Authority; and

(b) Demonstrates to the satisfaction of the Stadium Authority that the record or other document contains proprietary or confidential information.

2. If the Stadium Authority determines that a record or other document contains proprietary or confidential information, the Chair of the Board of Directors shall attach to the file containing the record or document:

(a) A certificate signed by him or her stating that a request for confidentiality was made by the requesting entity and the date of the request;

(b) A copy of the written request submitted by the requesting entity;

(c) The documentation to support the request submitted by the requesting entity; and

(d) A copy of the decision of the Stadium Authority determining that the record or other document contains proprietary or confidential information.

3. Records and documents that are confidential pursuant to this section:

(a) Are proprietary or confidential information of the requesting entity;

(b) Are not a public record; and

(c) Must not be disclosed to any person who is not an officer or employee of the Stadium Authority unless the requesting entity consents to the disclosure.

4. As used in this section, "proprietary or confidential information" has the meaning ascribed to it in NRS 360.247.

Sec. 25. 1. Except as otherwise provided in sections 18 to 35, inclusive, of this act and notwithstanding any other provision of law to the contrary:

(a) Any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement entered into pursuant to sections 18 to 35, inclusive, of this act by the Stadium Authority, a developer partner or any related entity relating to the Major League Baseball stadium project financed in whole or in part pursuant to sections 18 to 35, inclusive, of this act, and any contract, lease, sublease, lease-purchase agreement, management agreement or other agreement that provides for the design, entitlement, acquisition, construction, improvement, repair, demolition, reconstruction, equipment, financing, promotion, leasing, subleasing, management, operation or maintenance, or any combination thereof, of the Major League Baseball stadium project or any portion thereof, or the provision of materials or services for the project are exempt from any law:

(1) Requiring competitive bidding or otherwise specifying procedures for the award of agreements of a type described in this paragraph;

(2) Specifying procedures for the procurement of goods or services; or

(3) Limiting the term of any agreement of a type described in this paragraph.

(b) The provisions of chapter 341 of NRS do not apply to the Major League Baseball stadium project financed in whole or in part pursuant to sections 18 to 35, inclusive, of this act or to any agreement of a type described in paragraph (a).

(c) The provisions of chapter 338 of NRS do not apply to the Major League Baseball stadium project financed in whole or in part pursuant to sections 18 to 35, inclusive, of this act or to any agreement of a type described in paragraph (a), except that:

(1) The provisions of NRS 338.013 to 338.090, inclusive, apply to any construction work to be performed under any contract or other agreement pertaining to the project even if the estimated cost of the construction work is not greater than $250,000 or the construction work does not qualify as a public work, as defined in NRS 338.010;

(2) Any person or entity that executes one or more contracts or agreements for the actual construction, alteration, repair or remodeling of the project shall include in such a contract or agreement the contractual provisions and stipulations that are required to be included in a contract for a public work pursuant to the provisions of NRS 338.013 to 338.090, inclusive; and

(3) The Stadium Authority, any contractor who is awarded a contract or enters into an agreement to perform the construction, alteration, repair or remodeling of such an undertaking and any subcontractor on the undertaking shall comply with the provisions of NRS 338.013 to 338.090, inclusive, in the same manner as if the County had undertaken the project or had awarded the contract.

2. The Stadium Authority and any prime contractor, construction manager or project manager selected by the Stadium Authority or a developer partner shall competitively bid all subcontracts involving construction which the Stadium Authority determines can be competitively bid without affecting the quality of the Major League Baseball stadium project. Any determination by the Stadium Authority that such a subcontract can or cannot be competitively bid without affecting the quality of the Major League Baseball stadium project is conclusive in the absence of fraud or a gross abuse of discretion. The Stadium Authority shall establish one or more procedures for competitive bidding which:

(a) Must prohibit bidders from engaging in bid-shopping;

(b) Must not permit subcontractors to avoid or circumvent the provisions of paragraph (c) of subsection 1; and

(c) Must, in addition to the requirements of section 26 of this act, provide a preference for Nevada subcontractors in a manner that is similar to, and

with a preference that is equivalent to, the preference provided in NRS 338.1389.

3. Any determination by the Stadium Authority regarding the establishment of one or more procedures for competitive bidding, and any determination by a developer partner or its prime contractor, construction manager or project manager regarding the award of a contract to any bidder, is conclusive in the absence of fraud or a gross abuse of discretion.

Sec. 26. 1. In addition to any other requirements set forth in sections 18 to 35, inclusive, of this act, and except as otherwise provided in subsection 8, a development agreement entered into pursuant to section 22 of this act, a lease agreement entered into pursuant to that section, a combined development agreement and lease agreement entered into pursuant to that section and any other agreement of any kind entered into by the Stadium Authority with a developer partner, must include provisions which require that any contract or other agreement entered into by a prime contractor selected by the Stadium Authority or a developer partner for the construction of the Major League Baseball stadium project must include a provision requiring that at least 15 percent of the Major League Baseball stadium project must be subcontracted to small local businesses.

2. A business shall be deemed to be a small local business for the purposes of this section if:

(a) The business is financially and operationally independent from any other business;

(b) The business is not temporary and has operated for at least 4 years before entering into the contract or agreement;

(c) The business maintains its principal place of business in a fixed location within this State;

(d) The business has obtained all necessary licenses and registration within this State; and

(e) The annual revenues of the business for each of the immediately preceding 3 fiscal years has not exceeded:

(1) For public works projects, $20,000,000;

(2) For any other construction projects, $10,000,000;

(3) For any goods, materials, equipment and general services contracts, $10,000,000;

(4) For professional services including, without limitation, architectural and engineering services, $2,500,000; and

(5) For trucking services, $3,500,000.

3. A contractor that subcontracts work to a small local business pursuant to a contract or other agreement described in subsection 1 shall allow the small local business to be covered by any bond or insurance of the contractor and may require the subcontractor to pay a proportionate share of the cost for such coverage by the bond or insurance.

4. A small local business to which work is subcontracted by a contractor pursuant to a contract or other agreement described in subsection 1 must

ensure that its employees are hired in a manner that does not discriminate against any person on any basis prohibited by law. Such a contractor that subcontracts such work shall not impose any requirements on the small local business relating to the employees selected by the small local business to perform the subcontracted work.

5. A contractor that subcontracts work to a small local business pursuant to a contract or agreement described in subsection 1 shall provide a mentorship program to assist the small local business to develop the skills necessary to carry out the work that is subcontracted.

6. A prime contractor and each contractor that subcontracts work to a small local business pursuant to a contract or other agreement described in subsection 1 shall submit information to the Stadium Authority verifying that the contractor has complied with the provisions of this section, and shall maintain all records, including, without limitation, any information required by the Stadium Authority, to ensure compliance with this section for not less than 5 years after the expiration of the subcontract. Such records must be made available for inspection to the Stadium Authority upon request.

7. Unless the requirements of subsection 1 are waived by the Stadium Authority pursuant to subsection 8, the failure of a prime contractor to comply with the requirements of subsection 1 shall be deemed a material breach of contract.

8. The Stadium Authority may waive the requirements of subsection 1 if a prime contractor presents proof satisfactory to the Stadium Authority that there is an insufficient number of small local businesses available and qualified to subcontract for the work to be performed. Such proof must include, without limitation, evidence that:

(a) Reasonable efforts were made to notify small local businesses of the availability of work to be performed under a contract or other agreement described in subsection 1, which must include evidence of public advertisement calling for bids for a period of not less than 20 days before the date on which such bids must be submitted; and

(b) In considering the availability and qualifications of a small local business to perform work under a contract or other agreement described in subsection 1, a contractor reasonably considered the work experience, safety history and financial stability of the small local business.

Sec. 27. 1. The Stadium Authority shall retain the sole and exclusive right to enter into agreements to provide for the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments for any and all seats in the Major League Baseball stadium project to generate revenues used for construction of the Major League Baseball stadium project.

2. The Stadium Authority may not grant any other person the right to enter into such agreements, but it may in the development agreement entered into pursuant to subsection 1 of section 22 of this act or a combined development and lease agreement entered into pursuant to subsection 4 of

section 22 of this act, agree that any agreements regarding personal seat licenses or similar instruments will be made only in consultation with the developer partner or, if applicable, the Baseball Stadium Events Company and the Major League Baseball team. Such personal seat licenses or similar instruments may contain priority purchase rights to ticketed events in the Major League Baseball stadium project, including the home games of the Major League Baseball team.

3. Proceeds from the sale of personal seat licenses or similar instruments must be collected by or on behalf of the Stadium Authority for the benefit of the Major League Baseball stadium project and are a payment by purchasers to the owner of the Major League Baseball stadium project for special rights of access to events at the Major League Baseball stadium project.

4. With the consent of the Baseball Stadium Events Company and the Major League Baseball team, the Stadium Authority shall have the power to enter into one or more agreements with third parties pursuant to which it sells to each such third party, the right to receive and own the proceeds from the sale, license or transfer of personal seat licenses, stadium builder's licenses or other similar instruments as described in subsection 1, for cash and such other consideration as it deems appropriate to be paid upon sale or over time. Any financing or similar transaction by any such third party to effect such sale:

(a) Shall not be deemed a debt of the Stadium Authority for any purpose;

(b) Must not provide for recourse for monetary damages against the Stadium Authority for any reason, including any actual or alleged nonperformance by any person;

(c) Shall not give rise to any obligation or liability for monetary damages of the Stadium Authority to any person, including the third party or anyone purchasing a personal seat license or providing financing based on personal seat licenses through such third party or otherwise, but may, with the approval of the Baseball Stadium Events Company, provide remedies against the Baseball Stadium Events Company; and

(d) May allow for an action for specific performance against the Stadium Authority.

Sec. 28. 1. The Board of Directors shall notify the Board of County Commissioners if the Board of Directors has ~~[made the determinations pursuant to paragraph (a) of subsection 1 of section 34 of this act, whereupon]~~:

(a) Made the findings set forth in paragraphs (a) and (b) of subsection 1 of section 22 of this act;

(b) Selected as a developer partner one or more persons who have met the criteria set forth in subparagraphs (1), (2) and (3) of paragraph (c) of subsection 1 of section 22 of this act; and

(c) Selected a Baseball Stadium Events Company pursuant to paragraph (d) of subsection 1 of section 22 of this act which has disclosed to the Board the identity of each of its owners and managers.

2. Upon receiving the notification pursuant to subsection 1, the Board of County Commissioners shall create a sports and entertainment improvement district for the purpose of assisting in the financing or refinancing of the Major League Baseball stadium project. The sports and entertainment improvement district must ~~[be:]~~

(a) ~~[Located]~~ Be located entirely within the County and outside the boundaries of any incorporated city; ~~[and]~~

(b) Include only ~~[the]~~ parcels of land, or portions thereof, on which the Major League Baseball stadium project is or will be located and any surrounding or adjacent properties necessary for the operation of the Major League Baseball stadium project ~~[.~~

~~2.]~~ ; and

(c) Not include any operating public accommodation facility, as defined in NRS 447.320, or any business which is operating and is required to hold a license issued pursuant to chapter 463 of NRS.

3. The Board of County Commissioners may from time to time amend or modify the geographic boundaries of the sports and entertainment improvement district by ordinance, but any such amendment or modification ~~[:]~~ must not:

(a) ~~[Must not impair]~~ Impair any outstanding bonds or any revenues pledged to their payment; ~~[or]~~

(b) Exclude from the sports and entertainment improvement district any parcel of land, or portion thereof, on which the Major League Baseball stadium project is or will be located or any surrounding or adjacent property necessary for the operation of the Major League Baseball stadium project ~~[.~~

~~3.]~~ ; or

(c) Include within the sports and entertainment improvement district any operating public accommodation facility, as defined in NRS 447.320, or any business which is operating and is required to hold a license issued pursuant to chapter 463 of NRS.

4. With respect to any parcel of land that is split by the boundary of the sports and entertainment improvement district established pursuant to this section, the County Treasurer or County Assessor shall determine the apportionment of the proceeds of taxes collected within such a parcel for the purposes of section 29 of this act. All determinations of the County Treasurer or County Assessor pursuant to this section shall be deemed to be conclusive, absent fraud or a gross abuse of discretion.

Sec. 29. 1. ~~[The Board of County Commissioners shall,]~~ Subject to the provisions of subsection 8, to pay the principal of and interest on bonds issued by the County , ~~[pursuant to section 34 of this act and the Local Government Securities Law,]~~ whether funded, refunded or otherwise, and incurred by the County to finance or refinance, in whole or in part, the Major League Baseball stadium project , and to pay for other amounts described in subsection 4 of section 32 of this act, the Board of County Commissioners shall pledge the proceeds of:

(a) The following taxes , fees or charges imposed by the state government, but excluding any rate levied by a governmental entity other than the state government, pursuant to:

(1) NRS 372.105 and 372.185 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.

(2) ~~[The Clark County Sales and Use Tax Act of 2005, with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.~~

~~(3) The Clark County Crime Prevention Act of 2016, with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.~~

~~(4) Chapter 377D of NRS, with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.~~

~~(5)]~~ NRS 374.110 and 374.111 ~~[or]~~ and NRS 374.190 and 374.191 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.

~~[(6) Chapter 377 of NRS with regard to tangible personal property sold at retail or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.~~

~~(7)]~~ (3) NRS 363A.130 ~~[or]~~ and 363B.110 with regard to wages earned by employees located within the sports and entertainment improvement district during a fiscal year.

~~[(8)]~~ (4) NRS 680B.027 and 680B.030 with regard to insurance premiums earned from policies on businesses or assets within the sports and entertainment improvement district during a fiscal year.

~~[(9)]~~ (5) NRS 694C.450 with regard to insurance premiums earned from policies on businesses or assets within the sports and entertainment improvement district during a fiscal year.

~~[(10)]~~ (6) NRS 363C.200 with regard to gross revenues generated within the sports and entertainment improvement district during a fiscal year.

~~[(11)]~~ (7) NRS 368A.200 with regard to admission to any facility where live entertainment is provided within the sports and entertainment improvement district during a fiscal year.

~~[(12)]~~ (8) NRS 369.330 with regard to any liquor purchased or otherwise consumed within the sports and entertainment improvement district during a fiscal year.

~~[(13)]~~ (9) NRS 372B.140 with regard to fares charged for transportation services for which the point of origin or the destination is in the sports and entertainment improvement district.

~~[(14)]~~ (10) Chapter 361 of NRS with regard to personal property, as defined in NRS 361.030, located in the sports and entertainment improvement district during a fiscal year.

~~[(b) The fee provided for in]~~

(11) NRS 360.787 with regard to the licensing fee for operating of a facility at which exhibitions are held within the sports and entertainment improvement district during a fiscal year.

~~[(c) A franchise fee imposed pursuant to chapter]~~

(b) The following taxes, fees or charges imposed by the County, but excluding any rate levied by a governmental entity other than the County, pursuant to:

(1) The Clark County Sales and Use Tax Act of 2005 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.

(2) The Clark County Crime Prevention Act of 2016 with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.

(3) Chapter 377 of NRS with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.

(4) Chapter 377D of NRS with regard to tangible personal property sold at retail, or stored, used or otherwise consumed, in the sports and entertainment improvement district during a fiscal year.

(5) Chapter 361 of NRS with regard to personal property, as defined in NRS 361.030, located in the sports and entertainment improvement district during a fiscal year.

(6) Chapters 354, 709 ~~[or]~~ and 711 of NRS for a franchise fee for the provision of electricity, gas , telecommunications or video services in the sports and entertainment improvement district.

~~[(d) A business license fee imposed pursuant to chapter]~~

(7) Chapter 354 of NRS for a business license fee for a business located in the sports and entertainment improvement district.

~~[(e)]~~ (c) With the approval of the Stadium Authority and the County, any other taxes, fees and charges which are imposed by the County at the time the sports and entertainment improvement district is created or which are later imposed by the County during the term of the development agreement, lease agreement or non-relocation agreement entered into pursuant to section 22 of this act, ~~[not including:]~~ but excluding any rate levied by a governmental entity other than the County and also excluding:

(1) Any tax, fee or charge that, if transferred to the baseball stadium tax account, would violate the United States Constitution or the Nevada Constitution;

(2) Any tax, fee or charge that is irrevocably pledged to the repayment of a bond issued before the effective date of this ~~[act]~~ section and is not otherwise available to satisfy obligations of the County pursuant to this section following the release of such tax, fee or charge from such prior pledge;

(3) Any tax, fee or charge for services provided by any publicly owned and operated utility; and

(4) Any ad valorem tax on real property exempted pursuant to paragraph (c) of subsection 1 of section 33 of this act.

2. ~~[The]~~ Subject to the provisions of subsection 8, the provisions of this act must not be applied to modify, directly or indirectly, any taxes levied or revenues pledged in such a manner as to impair adversely any outstanding obligations of any local government or the State, including, without limitation, bonds, notes, medium-term financing, letters of credit and any other financial obligation, until all such obligations have been discharged in full or provision for their payment and redemption has been fully made.

3. ~~[The]~~ Subject to the provisions of subsection 8, the Department of Taxation and the Division of Insurance of the Department of Business and Industry may each adopt regulations regarding procedures for the identification and ~~[collection]~~ segmentation with respect to the sports and entertainment improvement district of the taxes, fees and charges ~~[pledged pursuant to]~~ described in subsection 1 which the Department of Taxation or the Division of Insurance is responsible for administering.

4. ~~[The state and each]~~ Subject to the provisions of subsection 8, any state agency, local government or other public body to which the taxes , fees and charges described in subsection 1 are paid shall provide commercially reasonable procedures by which such taxes, fees and charges ~~[that are]~~ paid by any business or other person operating in the sports and entertainment improvement district are to be identified and segmented such that they can be directed to the baseball stadium tax account and allocated in a manner consistent with subsection 1 of section 32 of this act. All ~~[persons and]~~ such businesses or other persons operating in the sports and entertainment improvement district shall be obligated to follow the established commercially reasonable procedures.

5. ~~[For]~~ Subject to the provisions of subsection 8, for the purposes of the taxes, fees and charges described in subsection 1, the Major League Baseball team shall be considered an employer within the sports and entertainment improvement district and any tax, fee or charge imposed upon or passed-through to the Major League Baseball team, the Major League Baseball stadium project or any affiliated or unaffiliated business operating within the sports and entertainment improvement district shall be deemed to occur within the ~~[sport]~~ sports and entertainment improvement district and ~~[therefor]~~ therefore inure to the benefit of the sports and entertainment improvement district.

6. ~~[The]~~ Subject to the provisions of subsection 8, the pledge of all or a portion of the taxes, fees and charges described in subsection 1 shall be deemed "pledged revenues" as that term is defined in NRS 350.550 and as that term is used in NRS 350.580.

7. ~~[Following]~~ Subject to the provisions of subsection 8, after the adoption of an ordinance creating a sports and entertainment improvement district pursuant to section 28 of this act, the Board of County Commissioners, the Department of Taxation and the Division of Insurance of the Department of Business and Industry shall enter into an agreement establishing the procedures, including any deadlines, for the distribution to the County of any money pledged pursuant to this section. Such distributions:

(a) Must be made not less frequently than once each calendar ~~[quarter;]~~ month; and

(b) Must:

(1) Cease with respect to 90 percent of the taxes, fees and charges collected in a fiscal year commencing in the fiscal year immediately following the later of:

(I) The end of the fiscal year in which the 30th anniversary of the County's issuance of any bonds ~~[pursuant to section 34 of this act and the Local Government Securities Law]~~ occurs;

(II) The date on which any bonds ~~[issued by the County pursuant to section 34 of this act and the Local Government Securities Law]~~ are fully repaid; or

(III) The date on which all refundable transferable tax credits have been repaid to the State pursuant to paragraph (d) of subsection 8 of section 31 of this act.

(2) Continue after the dates set forth in subparagraph (1) with respect to the remaining 10 percent of the taxes, fees and charges collected in a fiscal year so long as the Major League Baseball stadium project is owned by the Stadium Authority.

8. Notwithstanding any other provisions of this act, with respect to the taxes, fees and charges imposed by the state government and described in paragraph (a) of subsection 1, the provisions of this section do not, under any circumstances, create, cause or constitute for the State:

(a) Any form of contract, obligation or pledge granting, providing or otherwise securing the full faith and credit of the State for any payment, assumption, liability, surety, guarantee, assurance, compromise, settlement, discharge or other relief, in whole or in part, of any public or private debts of any kind or nature whatsoever; or

(b) Any surrender by the Legislature of any sovereign power of the state government to enact, amend or repeal any law, resolution or other legislative measure.

Sec. 30. 1. Subject to the provisions of subsections 7 and 10:

(a) The State Treasurer shall provide a credit enhancement of not less than 0.5 times the anticipated average annual debt service for each fiscal year of the term of bonds issued to finance the construction of the Major League Baseball stadium project ~~[pursuant to section 34 of this act]~~ from funds appropriated for the initial deposit or other funds available for that purpose.

(b) The credit enhancement may take the form of ~~[a guarantee,]~~ any insurance, letter of credit or other financial instrument or structure, as reasonably determined by the State Treasurer ~~[.~~

~~2. The]~~ , including, without limitation, the form of other financial assistance from the Nevada State Infrastructure Bank to the extent authorized by NRS 408.55061, except that the form of the credit enhancement utilized shall be subject to approval by the Board of Directors and the chief financial officer of the County, neither of whom shall unreasonably withhold their approval of the form of credit enhancement proposed by the State Treasurer.

2. Subject to the provisions of subsections 7 and 10, the term of any ~~[authorized]~~ credit enhancement provided pursuant to subsection 1 ~~[shall]~~ must be for a period equal to that of the term of any bonds issued to finance the construction of the Major League Baseball stadium project, including any refunding of those bonds . ~~[, as set forth in section 34 of this act and shall be backed by the full faith and credit of the State.~~

~~3. The credit enhancement provided pursuant to subsection 1 may take the form of other financial assistance from the Nevada State Infrastructure Bank, to the extent authorized by NRS 408.55061.~~

~~4. Notwithstanding the provisions of subsection 1, the form of the credit enhancement utilized shall be subject to approval by the Board of Directors of the Stadium Authority and the chief financial officer of the County, neither of which shall unreasonably withhold their approval of the form of credit enhancement proposed by the State Treasurer.~~

~~5. To]~~

3. Subject to the provisions of subsections 7 and 10, to the extent the debt service coverage ratio on any bonds issued to finance the construction of the Major League Baseball stadium project : ~~[pursuant to section 34 of this act:]~~

(a) Exceeds 3.0 times the anticipated annual debt service for any year of the term of such bonds, the State Treasurer may submit a written request to the Board of Directors ~~[of the Stadium Authority]~~ and the chief financial officer of the County to cease the provision of the credit enhancement provided pursuant to subsection 1 by 50 percent.

(b) Exceeds 4.0 times the anticipated annual debt service for any year of the term of such bonds, the State Treasurer may submit a written request to the ~~[Stadium Authority]~~ Board of Directors and the chief financial officer of the County to cease the provision of the credit enhancement provided pursuant to subsection 1.

(c) Falls below 2.0 times the anticipated annual debt service for any year of the term of such bonds, the State Treasurer shall reinstate the credit

enhancement provided pursuant to subsection 1, using one or more of the sources of funding specified in paragraph (b) of subsection ~~[7,]~~ 5, in an amount not less than 50 percent of the debt service due on the bonds in each of the next two successive fiscal years. Such reinstatement of the credit enhancement shall not prohibit the State Treasurer from subsequently making a written request to the Stadium Authority and chief financial officer of the County for a reduction or cessation of the credit enhancement pursuant to ~~[paragraphs]~~ paragraph (a) or (b), as applicable . ~~[, of this subsection.~~

~~6. Approval for any request made by]~~

➥ If the State Treasurer submits a written request for approval pursuant to ~~[paragraph (a) or (b) of subsection 5]~~ any provision of this subsection, such approval shall not be unreasonably withheld by either the Board of Directors ~~[of the Stadium Authority]~~ or the chief financial officer of the County.

~~[7. The]~~

4. Subject to the provisions of subsections 7 and 10, the terms of any credit enhancement provided ~~[by the State]~~ pursuant to subsection 1 must be set forth in an agreement entered into by the Stadium Authority, the County and the State relating to the financing of the Major League Baseball stadium project. Such an agreement must contain notice and administrative terms with respect to the credit enhancement as agreed to by the Stadium Authority, the County and the State. ~~[A]~~

5. Subject to the provisions of subsections 7 and 10, any credit enhancement provided ~~[by the State]~~ pursuant to subsection 1 may be pledged as additional security for the bonds ~~[or other securities issued pursuant to section 34 of this act]~~ and must provide that:

(a) The State Treasurer shall deposit into a designated fund ~~[securing such]~~ for the credit enhancement an amount of ~~[funds to secure the obligations of the State under]~~ money sufficient to carry out the provisions of this section , with the minimum amount being equal to 50 percent of the debt service due on the bonds in each of the next two successive fiscal years; and

(b) If the amount on deposit in the designated fund for the credit enhancement is drawn upon to pay debt service on the bonds , or if such amount is less than the minimum ~~[required]~~ amount described in paragraph (a), the State Treasurer shall gather ~~[funds]~~ , transfer and deposit, as applicable, unencumbered money not already committed for expenditure, in an amount sufficient to replenish the designated fund for the credit enhancement to the minimum ~~[required]~~ amount described in paragraph (a), from one or more of the following sources ~~[:]~~ in the following order of priority:

(1) ~~[Unreserved fund balance in the general fund of the State;]~~ The amount of any appropriations made by law to replenish, in whole or in part, the designated fund for the credit enhancment.

(2) ~~[Funds on deposit in the Consolidated Bond Interest and Redemption Fund pursuant to NRS 349.110;]~~ Legally available funds in the

Nevada State Infrastructure Bank Fund created by NRS 408.55073, including, without limitation, from the proceeds of bonds, notes or other obligations and appropriations made to the Nevada State Infrastructure Bank.

(3) ~~[Funds on deposit in the Account to Stabilize the Operation of the State Government in the State General Fund pursuant to NRS 353.288;]~~ Interest earned on amounts on deposit in the designated fund for the credit enhancement.

(4) ~~[Legally available funds in the Nevada State Infrastructure Bank Fund created by NRS 408.55073, including, without limitation, from the proceeds of bonds, notes or other obligations and appropriations made to the Nevada State Infrastructure Bank;]~~ Funds on deposit in the Consolidated Bond Interest and Redemption Fund pursuant to NRS 349.110.

(5) ~~[Interest earned on amounts on deposit in the designated fund securing such credit enhancement; and]~~ Funds on deposit in the Account to Stabilize the Operation of the State Government in the State General Fund pursuant to NRS 353.288. The provisions of subsections 5, 6 and 7 of NRS 353.288 do not apply to an allocation from the Account to Stabilize the Operation of the State Government pursuant to this subparagraph.

(6) The ~~[amount of any Legislative appropriation to replenish the designated fund to the minimum required amount.~~

~~— 8.]~~ unreserved fund balance in the State General Fund.

6. At the end of the fiscal year in which the bonds are fully repaid, any amount remaining in the designated fund for the credit enhancement created pursuant to subsection 5 reverts to the State General Fund.

7. Subject to the provisions of this subsection and subsection 10, to the extent that the proceeds of the taxes, fees and charges pledged pursuant to section 29 of this act are insufficient to make the scheduled payment on debt service on bonds, money held in the designated fund for the credit enhancement pursuant to subsection 5 may be drawn upon and transferred to the County Treasurer to enable the County Treasurer to make the scheduled payment. To draw upon and transfer any amount of money held in the designated fund for the credit enhancement pursuant to subsection 5 to enable the County Treasurer to make a scheduled payment on debt service on bonds, the following procedure must be followed:

(a) The County Treasurer must submit a written request to the Interim Finance Committee to approve the transfer of money held in the designated fund for the credit enhancement to the County Treasurer. The written request must:

(1) State that the proceeds of the taxes, charges and fees pledged pursuant to section 29 of this act are insufficient to make a scheduled payment on debt service on bonds;

(2) State the amount of money held in the designated fund for the credit enhancement that the County Treasurer has calculated is necessary to make the scheduled payment on debt service on the bonds; and

(3) Be submitted to the Interim Finance Committee not less than 60 days before such scheduled payment is required to be made under the terms of the bonds.

(b) Not later than 30 days after receiving a written request pursuant to paragraph (a), the Interim Finance Committee shall:

(1) Consider the request; and

(2) Upon finding that the proceeds of the taxes, charges and fees pledged pursuant to section 29 of this act are insufficient to make a scheduled payment on debt service on the bonds, approve a transfer of money held in the designated fund for the credit enhancement to the County Treasurer in an amount of money that the Interim Finance Committee finds is necessary to make the scheduled payment.

(c) Not later than 10 days after the Interim Finance Committee approves a transfer of money pursuant to subparagraph (2) of paragraph (b), the State Treasurer shall transfer the approved amount of money from the designated fund for the credit enhancement to the County Treasurer, and the County Treasurer shall use the transferred amount of money solely to make the scheduled payment on debt service on the bonds.

8. Subject to the provisions of subsections 7 and 10:

(a) Any draw upon the designated fund ~~[securing]~~ for the credit enhancement ~~[provided by the State under]~~ pursuant to this section shall be deemed a loan from ~~[such]~~ the designated fund for the credit enhancement to the County ~~[which]~~ , and any such loan shall be deemed a special obligation of the County payable solely from ~~[moneys]~~ money deposited in the baseball stadium tax account and available to reimburse the State pursuant to paragraph (d) of subsection 4 of section 32 of this act. ~~[A]~~

(b) Any failure to make payments of any amounts due under the special obligation of the County because of any insufficiency in the amount of money in the baseball stadium tax account ~~[and]~~ that is available to reimburse the State pursuant to paragraph (d) of subsection 4 of section 32 of this act in order to make those payments shall be deemed not to constitute a default on the special obligation of the County.

(c) Any such loan from the designated fund for the credit enhancement to the County shall not be considered as a general obligation of the County for any purpose, including, without limitation, when determining any limit on the debt of the County, and if there are insufficient funds pursuant to section 32 of this act to repay the State, the State Treasurer shall not withhold the payments of any other money that would otherwise be distributed to the County from any source.

9. ~~[Moneys]~~ Subject to the provisions of subsections 7 and 10, any money gathered, transferred and deposited by the State Treasurer into the designated fund for the credit enhancement pursuant to ~~[paragraph (c) of subsection 5 and subsection 7 are]~~ any provision of this section must be used solely for the purposes set forth in this section and is hereby authorized for expenditure as a continuing appropriation solely for ~~[the purpose of~~

~~authorizing the expenditure of the transferred money;]~~ the purposes set forth in this section.

10. Notwithstanding any other provisions of this act, with respect to any credit enhancement provided pursuant to subsection 1, the provisions of this section do not, under any circumstances, create, cause or constitute for the State:

(a) Any form of contract, obligation or pledge granting, providing or otherwise securing the full faith and credit of the State for any payment, assumption, liability, surety, guarantee, assurance, compromise, settlement, discharge or other relief, in whole or in part, of any public or private debts of any kind or nature whatsoever; or

(b) Any surrender by the Legislature of any sovereign power of the state government to enact, amend or repeal any law, resolution or other legislative measure.

Sec. 31. 1. On or after July 1, 2025, on behalf of a qualified project, the developer partner in such qualified project may apply to the Stadium Authority for a certificate of eligibility for transferable tax credits which may be applied to:

(a) Any tax imposed by chapters 363A and 363B of NRS, other than taxes imposed pursuant to NRS 363A.130 and 363B.110 with regard to the wages earned by employees located within the sports and entertainment improvement district;

(b) The gaming license fees imposed by the provisions of NRS 463.370;

(c) Any tax imposed by chapter 680B of NRS, other than taxes imposed pursuant to NRS 680B.027 and 680B.030 with regard to insurance premiums earned from policies on business or assets within the sports and entertainment improvement district; or

(d) Any combination of the fees and taxes described in ~~[subparagraphs]~~ paragraphs (a), (b) and (c).

2. For a project to be eligible for the transferable tax credits described in paragraph (a), (b) or (c) of subsection 1:

(a) The project must be a qualified project;

(b) The Board of County Commissioners ~~[shall]~~ must have issued bonds to fund construction of the project ; ~~[pursuant to section 34 of this act;]~~ and

(c) The developer partner must, on behalf of the project, submit an application to the Stadium Authority demonstrating that the requirements set forth in paragraphs (a) and (b) ~~[of this subsection]~~ have been satisfied.

3. If the Stadium Authority receives an application pursuant to subsection 2, the Stadium Authority shall approve such application if the Stadium Authority finds that the project is a qualified project and the requirements set forth in subsection 2 are otherwise satisfied. The Stadium Authority shall issue a decision on the application not later than 30 days after the Stadium Authority's receipt of such application that the Stadium Authority deems complete.

4. If the Stadium Authority approves an application for a certificate of eligibility for transferable tax credits submitted pursuant to subsection 2, the Stadium Authority shall immediately forward a copy of the certificate of eligibility which identifies the estimated amount of the tax credits available pursuant to this section to:

(a) The developer partner;

(b) The Department of Taxation; and

(c) The Nevada Gaming Control Board.

5. A qualified project may be approved for a certificate of eligibility for transferable tax credits up to an aggregate maximum amount equal to the difference between $380,000,000 and the amount of the bonds issued by the County , ~~[pursuant to section 34,]~~ subject to the aggregate maximum limit on transferable tax credits set forth in paragraph (b) of subsection 8.

6. For the purpose of computing the amount of transferable tax credits for which a qualified project is eligible pursuant to subsection 5, and subject to paragraph (f) of subsection 8, a qualified project shall be entitled to transferable tax credits in an amount equal to 20 percent of the total amount of transferable tax credits ~~[available]~~ approved pursuant to subsection 5 per milestone upon the achievement of each of the milestones listed below:

(a) The Board of County Commissioner ~~[shall]~~ must have issued bonds to fund construction of the qualified project ; ~~[pursuant to section 34 of this act;]~~

(b) Monthly draws have been made in the aggregate amount of not less than 33 percent of total project costs pursuant to the trust agreement described in paragraph (c) of subsection 2 of section 33 of this act;

(c) Monthly draws have been made in the aggregate amount of not less than 66 percent of total project costs pursuant to the trust agreement described in paragraph (c) of subsection 2 of section 33 of this act;

(d) A certificate of occupancy or other governmental authorization required in order to operate the qualified project has been obtained within 36 months ~~[of]~~ after the issuance by the Board of County Commissioners of the bonds to fund construction of the qualified project ~~[pursuant to section 34 of this act, as]~~ , except that such 36-month period may be extended:

(1) By the Board of Directors if the Board of Directors determines that an extension of such period is necessary or desirable; or

(2) As a result of force majeure as determined pursuant to the development agreement; and

(e) The Major League Baseball team's completion of its first full season of home Major League Baseball games held at the qualifying project.

7. Within 30 days of achieving any of the milestones described in subsection 6, the developer partner shall provide written notice to the Stadium Authority describing the milestone that has been achieved and setting forth the developer partner's irrevocable declaration of the amount of transferable tax credits that will be applied to each fee or tax set forth in paragraphs (a), (b) and (c) of subsection 1, thereby accounting for all of the credits which will be

issued with respect to the relevant milestone. Upon receipt of such written notice and accompanying declaration and the Stadium Authority's confirmation that the relevant milestone has been achieved, the Stadium Authority shall issue to the developer partner a certificate of transferable tax credits in the amount approved by the Stadium Authority for the fees or taxes included in the declaration. The Stadium Authority shall notify the Department of Taxation and the Nevada Gaming Control Board of all transferable tax credits issued, segregated by each fee or tax set forth in paragraphs (a), (b) and (c) of subsection 1, and the amount of any transferable tax credits transferred.

8. Except as otherwise provided in this section:

(a) The Stadium Authority shall not approve an application for transferable tax credits if approval of the application would cause the total amount of transferable tax credits approved pursuant to this section in any fiscal year to exceed $36,000,000.

(b) The total amount of transferable tax credits issued pursuant to this section to all qualified projects in this State must not exceed $180,000,000.

(c) If in any fiscal year the developer partner is entitled to an amount of transferable tax credits in excess of the per-fiscal year limitation set forth in paragraph (a), the amount of transferable tax credits in excess of such per-fiscal year limitation to which the developer partner is entitled must be carried forward and made available for approval by the Stadium Authority during subsequent fiscal years, subject to the aggregate cap on transferable tax credits set forth in paragraph (b).

(d) If and to the extent that the total amount of transferable tax credits ~~[made available to a developer partner]~~ approved pursuant to subsection 5 exceeds ~~[$90,000,000,]~~ $60,000,000, the amount of transferable tax credits in excess of ~~[$90,000,000]~~ $60,000,000 will be refunded to the State by the Stadium Authority using money in the baseball stadium tax account pursuant to subsection 4 of section 32 of this act.

(e) Each transferable tax credit issued pursuant to this section expires 5 years after the date on which the transferable tax credit is issued to the developer partner. A transferable tax credit issued pursuant to this section may be transferred only once.

(f) The developer partner shall be required to pay to the State an amount equal to the total amount of transferable tax credits issued to the developer partner pursuant to this section if a certificate of occupancy or other governmental authorization required in order to operate the qualified project has not been obtained within 60 months ~~[of]~~ after the issuance by the Board of County Commissioners of the bonds to fund construction of the qualified project, ~~[pursuant to section 32 of this act,]~~ or a longer period if the 60-month period is extended:

(1) By the Board of Directors upon a determination by the Board of Directors that an extension of such period is necessary or desirable; or

(2) As a result of force majeure as determined pursuant to the development agreement.

Sec. 32. 1. After paying any amounts needed to pay any principal, interest or other costs due in connection with any bonds ~~[or securities]~~ issued to finance or refinance the Major League Baseball stadium project and to establish a reserve fund to secure the payment of such bonds, the County Treasurer shall transfer the amounts pledged pursuant to section 29 of this act to the Stadium Authority. The Stadium Authority shall deposit such proceeds into the baseball stadium tax account created pursuant to section 19 of this act.

2. Except as otherwise provided in subsection 3, before the issuance of any bonds , ~~[pursuant to section 34 of this act,]~~ the Stadium Authority shall use the money in the baseball stadium tax account created pursuant to section 19 of this act only for one or more of the following purposes:

(a) To pay all or part of the cost to acquire, construct, design, entitle, lease, improve, equip, operate or maintain, or any combination thereof, within the boundaries of the sports and entertainment improvement district, the Major League Baseball stadium project.

(b) To establish a bond reserve fund and other reserves for the payment of the principal of such bonds ~~[issued pursuant to section 34 of this act]~~ or of the sinking fund payments with respect to such bonds, the purchase or redemption of such bonds, the payment of interest on such bonds or the payment of any redemption premium required to be paid when the bonds are redeemed before maturity.

(c) To pay the costs incurred by the Stadium Authority to carry out the provisions of sections 18 to 35, inclusive, of this act in an amount not to exceed $2,000,000.

3. The Stadium Authority shall not expend any proceeds of the taxes, fees and charges described in section 29 of this act to pay any costs to acquire, construct, design, entitle, lease, improve, equip, operate or maintain, or any combination thereof, the Major League Baseball stadium project unless:

(a) The costs are costs described in paragraph (c) of subsection 2; or

(b) The conditions set forth in paragraphs (a) to (d), inclusive, of subsection 1 of section 22 of this act have been satisfied.

4. Except as otherwise provided in subsection 5, after the issuance of any bonds , ~~[pursuant to section 34 of this act,]~~ the Stadium Authority shall use money in the baseball stadium tax account created pursuant to section 19 of this act only for the following uses:

(a) To pay the administrative costs of the Stadium Authority in an amount not to exceed $1,000,000 each fiscal year, as adjusted annually pursuant to subsection 7.

(b) From the proceeds remaining after the payments required by paragraph (a), to supplement the cost of operating and maintaining the Major League Baseball stadium project if the Board of Directors determines such

payments are necessary because the Baseball Stadium Events Company has failed to perform or breached the lease agreement entered into pursuant to subsection 1 of section 22 of this act or a combined development and lease agreement entered into pursuant to subsection 4 of section 22 of this act.

(c) From the proceeds remaining after the payments required by paragraphs (a) and (b), to create and make contributions to a debt service reserve fund:

(1) Until the start of the fiscal year immediately following the date on which a certificate of occupancy or other governmental authorization required in order to operate the Major League Baseball stadium project is issued or obtained, in an amount equal to such remaining proceeds until the debt service reserve level on the bonds ~~[or other securities issued pursuant to section 34 of this act]~~ is two times the average annual debt service on such bonds ; ~~[or other securities;]~~ and

(2) After such date, in an amount not to exceed $5,000,000 each fiscal year until the maximum debt service reserve level on the bonds ~~[or other securities issued pursuant to section 34 of this act]~~ is two times the average annual debt service on such bonds . ~~[or other securities.]~~

(d) From the proceeds remaining after the payments required by paragraphs (a), (b) and (c), to repay any amounts drawn under a credit enhancement or repay the special obligation of the County provided pursuant to section 30 of this act.

(e) From the proceeds remaining after the payments required by paragraphs (a) to (d), inclusive, to replenish any draws on the debt service reserve funds for the bonds in an amount equal to the total aggregate amount of any such draws.

(f) From the proceeds remaining after the payments required by paragraph (a) to (e), inclusive, and upon completion of the Major League Baseball stadium project, to make contributions to the baseball stadium capital projects fund created pursuant to section 19 of this act in an amount equal to at least $5,000,000 per fiscal year, as adjusted annually pursuant to subsection 7.

(g) From the proceeds remaining after the payments required by paragraphs (a) to (f), inclusive, to refund to the State any amount of transferable tax credits made available to a developer partner pursuant to section 31 of this act in excess of ~~[$90,000,000.]~~ $60,000,000, up to a total aggregate refund of $120,000,000 and transmit money to the Clark County homelessness prevention and assistance fund in the following amounts:

(1) Until a total of $45,000,000 has been refunded to the State for any amount of transferable tax credits issued pursuant to section 31 of this act in excess of $60,000,000:

(I) An amount equal to 90 percent of the proceeds remaining after the payments required by paragraphs (a) to (f), inclusive, to refund to the State any amount of transferable tax credits issued pursuant to section 31 of this act in excess of $60,000,000; and

(II) An amount equal to 10 percent of the proceeds remaining after the payments required by paragraphs (a) to (f), inclusive, for transmittal to the Clark County homelessness prevention and assistance fund, except that the amount of proceeds transmitted pursuant to this sub-subparagraph must not exceed $5,000,000 per fiscal year, as annually adjusted pursuant to subsection 7.

(2) Once $45,000,000 or more has been refunded to the State for any amount of transferable tax credits issued pursuant to section 31 of this act in excess of $60,000,000:

(I) An amount equal to 80 percent of the proceeds remaining after the payments required by paragraphs (a) to (f), inclusive, to refund to the State any amount of transferable tax credits issued pursuant to section 31 of this act in excess of $60,000,000 until a total aggregate refund of $120,000,000 has been made; and

(II) An amount equal to 20 percent of the proceeds remaining after the payments required by paragraphs (a) to (f), inclusive, for transmittal to the Clark County homelessness prevention and assistance fund, except that the amount of proceeds transmitted pursuant to this sub-subparagraph must not exceed $5,000,000 per fiscal year, as annually adjusted pursuant to subsection 7.

(h) From the proceeds remaining after the payments required by paragraphs(a) to (g), inclusive, and upon completion of the Major League Baseball stadium project, to make contributions to the ~~[resort corridor]~~ Clark County homelessness prevention and assistance fund in an amount equal to at least $5,000,000 per fiscal year, as adjusted annually pursuant to subsection 7.

(i) From the proceeds remaining after the payments required by paragraphs (a) to (h), inclusive, to make payments to a fund to provide early debt retirement in an amount determined by the Stadium Authority, a fund to make capital improvements to the Major League Baseball stadium project in an amount determined by the Stadium Authority and, subject to the provisions of subsection 10, a fund to pay for any infrastructure the Stadium Authority determines is required on or around the project, except that no payment pursuant to this paragraph may violate any covenant made in connection with the bonds ~~[issued pursuant to section 34 of this act]~~ and, if any payment would violate such a covenant, the amount of the payment must be used for such purpose as specified in the ordinance or other instrument under which the ~~[bond or other security is]~~ bonds were issued.

5. Upon the later to occur of the dates set forth in subparagraph (1) of paragraph (b) of subsection 7 of section 29 of this act, the Stadium Authority may use an amount not to exceed 10 percent of the proceeds of the taxes, fees and charges described in section 29 of this act generated in a fiscal year:

(a) To pay the operating expenses of the Stadium Authority; and

(b) To pay for capital improvements to the Major League Baseball stadium project in an amount determined by the Stadium Authority and, subject to the provisions of subsection 10, any infrastructure the Stadium Authority

determines is required on or around the Major League Baseball stadium project.

6. The proceeds of the taxes, fees and charges described in section 29 of this act, less the amount otherwise allocated to the Stadium Authority pursuant to subsection 5, shall be returned to the taxing entity or other entity that collected such taxes, fees and charges for use by such taxing entity or other entity in accordance with law once:

(a) The bonds ~~[issued pursuant to section 34 of this act]~~ have been fully repaid and retired; and

(b) All refundable transferable tax credits issued pursuant to section 31 of this act have been repaid to the State pursuant to paragraph (d) of subsection 8 of section 31 of this act.

7. The monetary amounts specified in paragraphs (a), (f), and (h) of subsection 4 , and the monetary amounts required by paragraph (g) of subsection 4 to be transmitted to the Clark County homelessness prevention and assistance fund, must be adjusted for each fiscal year by adding to the amount the product of the amount multiplied by the percentage increase in the consumer price inflation index between the calendar year ending on December 31, 2023, and the calendar year immediately preceding the fiscal year for which the adjustment is made.

8. Any debt service reserve fund described in this section to secure the payment of the bonds ~~[or securities issued pursuant to section 34 of this act]~~ must be held by the County or a trustee for the bonds. The debt service reserve fund must be funded with cash and investments permitted by the bond ordinance and NRS 355.170. Interest on money in the debt service reserve fund must remain in the fund and be used for the purposes for which the fund was created. In addition to the uses of the debt service reserve fund in paragraph (b) of subsection 2, money in the debt service reserve fund may be:

(a) Allocated to pay the final years' debt service on the bonds secured by the reserve funds if the money in the fund is fully sufficient to retire all outstanding bonds secured thereby;

(b) When all bonds ~~[or other securities issued pursuant to section 34 of this act]~~ and any special obligations of the County under section 30 of this act are no longer outstanding, transferred to the baseball stadium capital projects fund created pursuant to section 19 of this act ~~[; or]~~ , provided that, following such a transfer:

(1) No subsequent payment of such money from the baseball stadium capital projects fund may violate any covenant made in connection with the bonds; and

(2) If any subsequent payment of money from the baseball stadium capital projects fund would violate any covenant made in connection with the bonds, the amount of any such subsequent payment may be used for such other purposes as required by the ordinance or other instrument under which the bonds were issued; or

(c) A combination of the purposes set forth in paragraphs (a) and (b).

9. Any allocation of money in the debt service reserve fund pursuant to paragraph (a), (b) or (c) of subsection 8 requires the approval of the Stadium Authority, except that the County may, in its sole discretion, allocate money in the debt service reserve fund to pay scheduled principal and interest payments on the bonds . ~~[or other securities issued pursuant to section 34 of this act.]~~

10. For purposes of determining the infrastructure required on or around the Major League Baseball stadium project to be funded as provided in paragraph (i) of subsection 4 and paragraph (b) of subsection 5, upon completion of the Major League Baseball stadium project and continuing each year thereafter, the County shall provide to the Stadium Authority a list of infrastructure on or around the Major League Baseball stadium project that the County proposes to be funded as provided in paragraph (i) of subsection 4 and paragraph (b) of subsection 5. The Stadium Authority shall consider such list when determining which infrastructure will be funded as provided in paragraph (i) of subsection 4 and paragraph (b) of subsection 5.

11. As used in this section, "consumer price inflation index" means the Consumer Price Index for All Urban Consumers, U.S. City Average, West Urban (All Items), as published by the Bureau of Labor Statistics of the United States Department of Labor or, if that index ceases to be published by the United States Department of Labor, the published index that most closely resembles that index, as determined by the Stadium Authority.

Sec. 33. 1. In addition to the requirements set forth in section 22 of this act, a development agreement, a lease agreement or a combined development agreement and lease agreement entered into pursuant to section 22 of this act and any other agreement of any kind entered into by the Stadium Authority with a developer partner, the Baseball Stadium Events Company or the Major League Baseball team, or any affiliate, subsidiary or entity related to such a person, must provide that:

(a) The contribution of the Stadium Authority to the costs of construction of the Major League Baseball stadium project, excluding debt service on the bonds ~~[issued pursuant to section 34 of this act]~~ and the proceeds from the sale, transfer or license of personal seat licenses, stadium builder's licenses or other similar instruments pursuant to section 27 of this act and the sale of other assets of the project which must be used to pay the costs of the project and capital improvements thereto and including the transferable tax credits described in section 31 of this act, must not exceed the lesser of:

(1) The amount of $380,000,000; or

(2) The amount of money generated and contributed to the construction fund by the taxes, fees and charges described in section 29 of this act before the issuance of the bonds , ~~[pursuant to section 34 of this act,]~~ plus the amount of $25,000,000 as provided in subsection 3 and the maximum amount that may be raised and contributed to the construction fund from the issuance of the bonds ~~[and other securities pursuant to section 34 of this act]~~ that are secured to the extent authorized by the provisions of this act by the proceeds of the

taxes, fees and charges described in section 29 of this act, as reasonably determined by the chief financial officer of the County and the State Treasurer, after payment of issuance costs, including capitalized interest, if applicable, and the cost of funding the debt service reserve fund, plus the amount of transferable tax credits described in section 31 of this act.

(b) The total debt undertaken by the Board of County Commissioners at the request of the Stadium Authority must not at any time exceed the amount required to satisfy the amount set forth in paragraph (a), minus:

(1) The amount generated by the taxes, fees and charges described in section 29 of this act before the issuance of the bonds ; ~~[pursuant to section 34 of this act;]~~ and

(2) The amount of any transferable tax credits described in section 31 of this act.

➥ Any bonds issued to refund the outstanding bonds ~~[issued pursuant to section 34 of this act]~~ must not be taken into account in calculating compliance with the debt limit set forth in this paragraph.

(c) Except as otherwise provided in this paragraph, all land, improvements and other property of any kind included in the total cost of the Major League Baseball stadium project pursuant to paragraph (h) of subsection 1 of section 34 of this act shall be the sole and exclusive property of the Stadium Authority and shall be exempt from ad valorem property taxes in this State. The provisions of this paragraph do not apply to:

(1) Any leasehold improvements that the Stadium Authority and the Baseball Stadium Events Company or the Major League Baseball team agree are made solely by the Baseball Stadium Events Company or the Major League Baseball team; or

(2) Any personal property owned by the Major League Baseball team.

➥ If any such leasehold improvements remain in existence at the expiration of the lease, such leasehold improvements must be transferred to the Stadium Authority at the expiration of the lease agreement and, at that time, becomes the sole and exclusive property of the Stadium Authority, unless otherwise provided in an agreement between the Stadium Authority and the Baseball Stadium Events Company or the Major League Baseball team. The ad valorem property tax exemption provided in this paragraph shall be terminated if the Stadium Authority, or any successor governmental entity, ceases to be the owner of the Major League Baseball stadium project.

(d) A developer partner and the Major League Baseball team must ensure that any required transfer of land, improvements or property occurs before the issuance of the bonds ~~[or other securities pursuant to section 34 of this act]~~ or simultaneously with the issuance of ~~[those bonds or other securities, provided, however,]~~ the bonds, provided that the Major League Baseball team may have the option to repurchase the Major League Baseball stadium project at the end of the lease period, including any extensions, at a cost reasonably determined through a third-party appraisal obtained by the Board of Directors.

(e) The land on which the Major League Baseball stadium project is to be located must be dedicated to the Stadium Authority at no cost to the Stadium Authority before the issuance of the bonds ~~[pursuant to section 34 of this act]~~ or simultaneously with the issuance of ~~[those]~~ the bonds, provided ~~[, however,]~~ that the Major League Baseball team may have the option to repurchase the Major League Baseball stadium project at the end of the lease period, including any extensions, at a cost reasonably determined through a third-party appraisal obtained by the Board of Directors.

2. Except as otherwise provided in this act, the contribution of the Stadium Authority to the cost of the development and construction of the Major League Baseball stadium project must be proportional in terms of amount, contemporaneous in terms of timing and similar in terms of risk profile to the contribution to the cost of the development and construction of the project by the developer partner and:

(a) The developer partner shall pay the initial $100,000,000 of the costs of the Major League Baseball stadium project.

(b) Payments after the initial payment described in paragraph (a) will be pro-rata based on the percentage of the total cost of the project described in paragraph (h) of subsection 1 of section 34 of this act to be paid from money derived from the proceeds of the bonds ~~[issued pursuant to section 34 of this act]~~ and the taxes, fees and charges described in section 29 of this act, excluding the proceeds of the ~~[tax, fee or charge]~~ taxes, fees and charges used to pay principal and interest on the bonds , ~~[issued pursuant to section 34 of this act,]~~ and the proceeds generated from the transfer of the transferable tax credits described in section 31 of this act, compared to the costs to be paid from other sources, as adjusted to reflect that money derived from the proceeds of the bonds ~~[issued pursuant to section 34 of this act]~~ and the taxes, fees and charges described in section 29 of this act, excluding the proceeds of the ~~[tax]~~ taxes, fees and charges used to pay principal and interest on the bonds , ~~[issued pursuant to section 34 of this act,]~~ together with the proceeds generated from the transfer of the transferable tax credits described in section 31 of this act, will be used to pay the last $50,000,000 of the cost of the project.

(c) The procedures for making monthly draws for the cost of the project will be delineated in a trust agreement, which will ensure that no money derived from the proceeds of the bonds , ~~[issued pursuant to section 34 of this act,]~~ the taxes, fees and charges described in section 29 of this act and the proceeds generated from the transfer of the transferable tax credits described in section 31 of this act are expended unless money of the developer partner is simultaneously expended and that no funds of the developer partner are expended unless money derived from the proceeds of the bonds , ~~[issued pursuant to section 34 of this act,]~~ the taxes, fees and charges described in section 29 of this act and the proceeds generated from the transfer of the transferable tax credits described in section 31 of this act are simultaneously expended, except for the initial payment described in paragraph (a) and the last payment described in paragraph (b).

(d) A trust agreement governing the draw of money for the costs of the project will detail the evidence required to be provided before a draw can be made and the requirements for an independent engineer to review all work before the draw of money.

(e) The independent engineer described in paragraph (d) will review the project sources and uses of money each month and, if the independent engineer determines that there is a need for additional money for the project because of a cost overrun, no payment may be made from money derived from the proceeds of the bonds ~~[issued pursuant to section 34 of this act]~~ or the taxes, fees and charges described in section 29 of this act until the cost overrun is paid from a source or combination of sources described in subparagraphs (1), (2) and (3) of paragraph (f) of subsection 1 of section 34 of this act.

3. Any development agreement entered into between the ~~[development]~~ developer partner and the County or any municipality in which the project is located, including, without limitation, any agreement required to be entered into with a local government pursuant to paragraph (h) of subsection 2 of section 22 of this act, shall provide that the County or any other municipality in which the project is located shall provide a credit in an amount not less than $25,000,000 for any costs, expenses or charges imposed upon, assessed to or otherwise required to be incurred by the ~~[development]~~ developer partner as part of such agreement.

Sec. 34. 1. The Board of Directors shall request that the Board of County Commissioners issue bonds of the County pursuant to subsection 2 if the Board of Directors determines that:

(a) The Stadium Authority has:

(1) Entered into a development agreement, a lease agreement and a non-relocation agreement pursuant to subsections 2, 3 and 5 of section 22 of this act or a combined development and lease agreement pursuant to subsection 4 of section 22 of this act and a non-relocation agreement pursuant to subsection 5 of section 22 of this act; and

(2) Approved a community benefits agreement pursuant to section 23 of this act.

(b) The proceeds of the taxes, fees and charges described in section 29 of this act that will be pledged to the payment of the bonds issued by the County pursuant to this section and the Local Government Securities Law, when combined with any credit enhancement provided ~~[by the State]~~ pursuant to section 30 of this act, will reasonably generate sufficient revenue to meet or exceed the debt service coverage ratio of 2.0 times the anticipated annual debt service for each year of the term of the bonds.

(c) The Board of County Commissioners has enacted the ordinance creating the sports and entertainment improvement district and pledging the taxes, fees and charges described in section 29 of this act.

(d) The contract for the construction of the Major League Baseball stadium project is a guaranteed maximum price contract with a contingency amount of 10 percent of the estimated hard costs of the Major League Baseball stadium

project or such lesser percentage as is determined to be adequate by the Board of Directors but not less than 5 percent of the estimated hard costs of Major League Baseball stadium project.

(e) The prime contractor for the construction of the Major League Baseball stadium project has provided adequate security to guarantee timely performance of the construction of the project and liquidated damages related thereto.

(f) A developer partner has provided a financing commitment that the Board of Directors finds is sufficient to pay the portion of the estimated cost of the Major League Baseball stadium project that is to be paid from sources other than money derived from the proceeds of the bonds issued pursuant to this section, plus the contingency amount approved by the Board pursuant to paragraph (d), and is secured by any combination of the following:

(1) An irrevocable deposit of cash into a stadium project construction fund held in trust by a commercial bank with trust powers, which is established by a developer partner and the Stadium Authority and which cannot be used for any purpose other than payment of the cost of the project until those costs have been paid in full.

(2) Closed construction debt financing, from a lender or lenders rated "BBB+" or better by Standard and Poor's Rating Services or "Baa1" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors, which allows draws for the costs of construction of the project, interest during construction and any costs of issuance. A draw under the closed construction debt financing may be subject to conditions precedent, including, without limitation, a condition that there has been delivery of proof of the availability of County money, a condition that there has been delivery of satisfactory reports from an independent engineer that certifies work being paid for under the closed construction debt financing has been completed and that stored materials have been verified, any condition required by state or federal regulations or regulators governing banks and any condition that relates to confirmation of insurance for the project. Such conditions precedent may also be required by the Board of County Commissioners or the Stadium Authority to allow a draw on the proceeds of the bonds issued pursuant to this section which are held in trust by a commercial bank with trust powers.

(3) Irrevocable letters of credit or commitments to pay the costs of construction of the project, which irrevocably and unconditionally allow draws for the costs of construction of the project and no other purpose until those costs have been paid in full, which is provided by a bank with at least $1 billion in assets that is rated "BBB+" or better by Standard and Poor's Rating Services or "Baa1" or better by Moody's Investor Services, Inc., or their equivalent as determined by the Board of Directors.

(g) A developer partner and the required state or local government counterparty have executed any development agreements required by state or

local governments relative to providing adequate offsite infrastructure improvements for the Major League Baseball stadium project.

(h) The Stadium Authority and a developer partner have agreed on an estimate of the total cost of the Major League Baseball stadium project.

2. Except as otherwise provided in subsection 3, upon the request of the Board of Directors pursuant to subsection 1, the Board of County Commissioners shall issue bonds of the County in an amount that can be supported by the proceeds of the taxes, fees and charges described in section 29 of this act, together, if necessary, with the ~~[State]~~ credit enhancement described in section 30 of this act, while also meeting the debt service coverage ratio required pursuant to subsection 1. After payment of the costs of issuing the bonds and making provisions for any required debt service reserve fund, the proceeds of any bonds issued pursuant to this subsection must be allocated to the Stadium Authority to be used for the Major League Baseball stadium project.

3. The Board of County Commissioners shall not issue bonds pursuant to subsection 2 unless the Board of County Commissioners finds that:

(a) The requirements of subsection 1 have been satisfied; and

(b) Payment of the costs of construction of the Major League Baseball stadium project will be made over time by both the Stadium Authority and a developer partner in accordance with subsection 2 of section 33 of this act.

4. The ~~[securities]~~ bonds required to be issued pursuant to this section must be issued pursuant to the Local Government Securities Law, and any bonds issued pursuant to this section may be refunded by the County as provided in the Local Government Securities Law.

5. If the Board of County Commissioners issues bonds of the County pursuant to subsection 2 and the Board of County Commissioners has made the findings set forth in subsection 3:

(a) The bonds may be issued without complying with the requirements of NRS 350.011 to 350.0165, inclusive, and 350.020, pursuant to an ordinance of the Board of County Commissioners as provided in the Local Government Securities Law, and no other approval by a governmental entity or otherwise is required for the issuance of the bonds under the laws of this State.

(b) The bonds are exempt from the limitation on indebtedness set forth in NRS 244A.059, and must not be included in the calculation of the indebtedness of the County under that section, but the County shall not become indebted by the issuance of the bonds for the purposes set forth in sections 18 to 35, inclusive, of this act in an amount exceeding 5 percent of the total last assessed valuation of taxable property of the County.

(c) The bonds must be treated as if the finding described in subparagraph (1) of paragraph (b) of subsection 3 of NRS 361.4727 had been made by the Board of County Commissioners and approved by the debt management commission of the County under subparagraph (2) of paragraph (b) of subsection 3 of NRS 361.4727.

6. Any determination or finding by the Board of Directors or the Board of County Commissioners pursuant to this section is conclusive, absent fraud.

7. The Board of County Commissioners shall notify the Department of Taxation following the repayment in full of bonds issued by the County pursuant to this section.

Sec. 35. 1. The authority of the Board of Directors to undertake the Major League Baseball stadium project shall expire if the Board makes any of the following determinations:

(a) Within 12 months after the effective date of sections 18 to 35, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after the effective date of those sections, Major League Baseball has not authorized the Major League Baseball team to locate or relocate within the sports and entertainment improvement district.

(b) Within 12 months after the effective date of sections 18 to 35, inclusive, of this act or, if the Board determines that an extension of this period is necessary or desirable, within 18 months after the effective date of those sections, the Major League Baseball team has not committed to locate or relocate within the sports and entertainment improvement district.

(c) Within 18 months after the effective date of sections 18 to 35, inclusive, of this act, the Stadium Authority has not approved and entered into a development agreement pursuant to subsection 2 of section 22 of this act.

(d) Within 18 months after Major League Baseball has authorized the Major League Baseball team to locate or relocate within the sports and entertainment improvement district, the Stadium Authority has not approved and entered into a lease agreement pursuant to subsection 3 of section 22 of this act.

(e) In lieu of the agreements described in paragraphs (c) and (d), within 18 months after Major League Baseball has authorized the Major League Baseball team to locate or relocate within the sports and entertainment improvement district, the Stadium Authority has not approved and entered into a combined development and lease agreement pursuant to subsection 4 of section 22 of this act.

(f) Within 18 months after Major League Baseball has authorized the Major League Baseball team to locate or relocate within the sports and entertainment improvement district, the Stadium Authority has not:

(1) Approved and entered into a non-relocation agreement pursuant to subsection 5 of section 22 of this act.

(2) Approved a community benefits agreement pursuant to section 23 of this act.

2. Upon the expiration of the Board of Directors' authority to undertake the Major League Baseball stadium project pursuant to this section, the proceeds of the taxes, fees and charges described in section 29 of this act

shall be returned to the taxing entity or other entity that collected such taxes, fees and charges for use by such taxing entity or other entity in accordance with law.

Sec. 36. Section 22 of the Southern Nevada Tourism Improvements Act, being chapter 2, Statutes of Nevada 2016, 30th Special Session, at page 20, is hereby amended to read as follows:

Sec. 22. 1. The Stadium Authority must be governed by a Board of Directors consisting of the County Treasurer, ~~*[and State Treasurer,]*~~ who is a ~~*[are]*~~ nonvoting, ex officio member ~~*[members]*~~ of the Board, and ~~[nine]~~ *11* members to be appointed as follows:

(a) Three members appointed by the Governor, at least one of which must be appointed in the manner set forth in subsection 2.

(b) Three members appointed by the Board of County Commissioners, at least one of which must be appointed in the manner set forth in subsection 2.

(c) *One member appointed by the Majority Leader of the Senate, who must not be a person who is currently serving as a Legislator.*

(d) One member appointed by the Speaker of the Assembly, who must not be a person who is currently serving as a Legislator.

(e) One member appointed by the President of the University who must be the executive director in charge of managing events for the University or, if that position ceases to exist, another officer or employee of the University who has experience in the management of events.

~~[(d)]~~ *(f)* Two members representing the public elected by the members appointed pursuant to paragraphs (a) ~~[, (b) and (c).]~~ *to (e), inclusive.* In electing members pursuant to this paragraph, the members appointed pursuant to paragraphs (a) ~~[, (b) and (c)]~~ *to (e), inclusive,* shall consider the recommendations of:

(1) A National Football League team that has:

(I) Demonstrated to those members that it is interested in locating or relocating within the stadium district; or

(II) Committed to locate or relocate within the stadium district; and

(2) The person or persons who have:

(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the National Football League stadium project; or

(II) Entered into such a lease. ~~*[and appointed in the manner set forth in subsection 3.]*~~

2. One member appointed pursuant to paragraph (a) of subsection 1 and one member appointed pursuant to paragraph (b) of subsection 1 must be selected from a list of nominees submitted to the appointing authority by the two companies who, either directly or

through subsidiaries, affiliates or any related entity under common control with the companies, own or manage the businesses within the County, which in the aggregate generate the greatest amount of taxes on the rental of transient lodging in the County. If the appointing authority reasonably determines that the nominees on any such list of nominees submitted by a nominating company are unacceptable, the companies must submit a new list of nominees. If the appointing authority has determined that no nominee on the first four lists of nominees offered by a nominating company is acceptable, all additional nominations for appointment to the Board must be made by the association of resort hotels whose membership collectively paid the greatest amount of taxes on the rental of transient lodging to the Fund for the Promotion of Tourism pursuant to paragraph (a) of subsection 1 of NRS 244.3354 and paragraph (a) of subsection 1 of NRS 268.0962 in the fiscal year immediately preceding the fiscal year in which the appointment is made and whose members include the two nominating companies or could include those companies if those companies chose to be members of that association. For purposes of this subsection, "affiliate" includes any company in which a nominating company owns fifty percent or more of the ownership interests.

3. ~~*[Except as otherwise provided in subsection 4 of section 23 of this act, in electing members pursuant to paragraph (d) of subsection 1, the members appointed pursuant to paragraphs (a), (b) and (c) shall:*~~

~~*(a) For one of the two members, consider the recommendations of:*~~

~~*(1) A National Football League team that has:*~~

~~*(I) Demonstrated to those members that it is interested in locating or relocating within the stadium district; or*~~

~~*(II) Committed to locate or relocate within the stadium district; and*~~

~~*(2) The person or persons who have:*~~

~~*(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the National Football League stadium project; or*~~

~~*(II) Entered into such a lease.*~~

~~*(b) For the other of the two members, consider the recommendation of:*~~

~~*(1) A Major League Baseball team that has:*~~

~~*(I) Demonstrated to those members that it is interested in locating or relocating within the sports and entertainment improvement district created pursuant to section 28 of the Southern Nevada Tourism Innovation Act; or*~~

~~*(II) Committed to locate or relocate within that district; and*~~

~~*(2) The person or persons who have:*~~

~~*(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the Major League Baseball stadium project; or*~~

~~*(II) Entered into such a lease.*~~

~~*4.]*~~ *In appointing members to the Board of Directors, the appointing authority shall consider whether the members appointed to the Board of Directors reflect the diversity of this State, including, without limitation, the age, gender, gender identity or expression, sexual orientation, ethnic and geographic diversity of this State.* Each member of the Board of Directors must reside within the stadium district and must:

(a) Have experience in the design, engineering and construction of major commercial projects and estimating the costs of the construction of major commercial projects;

(b) Have experience in the financing of capital projects in this State;

(c) Have experience in the field of stadium, arena or event management;

(d) Have experience in workforce development, training, diversity or supplier engagement; or

(e) Be representatives of the private sector and have the education, experience and skills necessary to effectively execute the duties and responsibilities of a member of the Board of Directors.

4. ~~*[5.]*~~ A member of the Board of Directors may not be employed by the same person as another member of the Board or by an affiliate of such a person.

5. ~~*[6.]*~~ A vacancy on the Board of Directors occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the appointing authority.

6. ~~*[7.]*~~ A vacancy on the Board of Directors must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1.

7. ~~*[8.]*~~ A member of the Board of Directors is not entitled to receive any compensation for serving as a member of the Board or as an officer or employee of the Stadium Authority.

8. ~~*[9.]*~~ The members of the Board of Directors are public officers for the purposes of chapter 281A of NRS.

Sec. 36.5. Section 22 of the Southern Nevada Tourism Improvements Act, being chapter 2, Statutes of Nevada 2016, 30th Special Session, at page 20, is hereby amended to read as follows:

Sec. 22. 1. The Stadium Authority must be governed by a Board of Directors consisting of the County Treasurer, who is a nonvoting, ex officio member of the Board, and 11 members to be appointed as follows:

(a) Three members appointed by the Governor, at least one of which must be appointed in the manner set forth in subsection 2.

(b) Three members appointed by the Board of County Commissioners, at least one of which must be appointed in the manner set forth in subsection 2.

(c) One member appointed by the Majority Leader of the Senate, who must not be a person who is currently serving as a Legislator.

(d) One member appointed by the Speaker of the Assembly, who must not be a person who is currently serving as a Legislator.

(e) One member appointed by the President of the University who must be the executive director in charge of managing events for the University or, if that position ceases to exist, another officer or employee of the University who has experience in the management of events.

(f) Two members representing the public elected by the members appointed pursuant to paragraphs (a) to (e), inclusive ~~[. In electing members pursuant to this paragraph, the members appointed pursuant to paragraphs (a) to (e), inclusive, shall consider the recommendations of:~~

~~(1) A National Football League team that has:~~

~~(I) Demonstrated to those members that it is interested in locating or relocating within the stadium district; or~~

~~(II) Committed to locate or relocate within the stadium district; and~~

~~(2) The person or persons who have:~~

~~(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the National Football League stadium project; or~~

~~(II) Entered into such a lease.]~~ *, and appointed in the manner set forth in subsection 3.*

2. One member appointed pursuant to paragraph (a) of subsection 1 and one member appointed pursuant to paragraph (b) of subsection 1 must be selected from a list of nominees submitted to the appointing authority by the two companies who, either directly or through subsidiaries, affiliates or any related entity under common control with the companies, own or manage the businesses within the County, which in the aggregate generate the greatest amount of taxes on the rental of transient lodging in the County. If the appointing authority reasonably determines that the nominees on any such list of nominees submitted by a nominating company are unacceptable, the

companies must submit a new list of nominees. If the appointing authority has determined that no nominee on the first four lists of nominees offered by a nominating company is acceptable, all additional nominations for appointment to the Board must be made by the association of resort hotels whose membership collectively paid the greatest amount of taxes on the rental of transient lodging to the Fund for the Promotion of Tourism pursuant to paragraph (a) of subsection 1 of NRS 244.3354 and paragraph (a) of subsection 1 of NRS 268.0962 in the fiscal year immediately preceding the fiscal year in which the appointment is made and whose members include the two nominating companies or could include those companies if those companies chose to be members of that association. For purposes of this subsection, "affiliate" includes any company in which a nominating company owns fifty percent or more of the ownership interests.

3. *Except as otherwise provided in subsection 4 of section 23 of this act, in electing members pursuant to paragraph (f) of subsection 1, the members appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 shall:*

(a) For one of the two members, consider the recommendations of:

(1) A National Football League team that has:

(I) Demonstrated to those members that it is interested in locating or relocating within the stadium district; or

(II) Committed to locate or relocate within the stadium district; and

(2) The person or persons who have:

(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the National Football League stadium project; or

(II) Entered into such a lease.

(b) For the other of the two members, consider the recommendation of:

(1) A Major League Baseball team that has:

(I) Demonstrated to those members that it is interested in locating or relocating within the sports and entertainment improvement district created pursuant to section 28 of the Southern Nevada Tourism Innovation Act; or

(II) Committed to locate or relocate within that district; and

(2) The person or persons who have:

(I) Demonstrated to those members that the person or persons are interested in and capable of entering into a lease with the Stadium Authority to operate the Major League Baseball stadium project; or

(II) Entered into such a lease.

4. Each member of the Board of Directors must reside within the stadium district and must:

(a) Have experience in the design, engineering and construction of major commercial projects and estimating the costs of the construction of major commercial projects;

(b) Have experience in the financing of capital projects in this State;

(c) Have experience in the field of stadium, arena or event management;

(d) Have experience in workforce development, training, diversity or supplier engagement; or

(e) Be representatives of the private sector and have the education, experience and skills necessary to effectively execute the duties and responsibilities of a member of the Board of Directors.

~~[4.]~~ *5.* A member of the Board of Directors may not be employed by the same person as another member of the Board or by an affiliate of such a person.

~~[5.]~~ *6.* A vacancy on the Board of Directors occurs when a member:

(a) Dies or resigns; or

(b) Is removed, with or without cause, by the appointing authority.

~~[6.]~~ *7.* A vacancy on the Board of Directors must be filled for the remainder of the unexpired term in the same manner as the original appointment pursuant to subsection 1.

~~[7.]~~ *8.* A member of the Board of Directors is not entitled to receive any compensation for serving as a member of the Board or as an officer or employee of the Stadium Authority.

~~[8.]~~ *9.* The members of the Board of Directors are public officers for the purposes of chapter 281A of NRS.

Sec. 37. Section 23 of the Southern Nevada Tourism Improvements Act, being chapter 2, Statutes of Nevada 2016, 30th Special Session, at page 21, is hereby amended to read as follows:

Sec. 23. 1. Not later than 30 days after the effective date of sections 21 to 37, inclusive, of this act:

(a) The Governor shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2018; and

(2) Two members of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2019.

(b) The Board of County Commissioners shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term

that commences on the date of the appointment, and expires on December 31, 2018; and

(2) Two members of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2019.

(c) The President of the University shall appoint the member of the Board of Directors appointed pursuant to paragraph ~~[(c)]~~ *(e)* of subsection 1 of section 22 of this act.

2. *On or before October 1, 2023, the Majority Leader of the Senate shall appoint one member of the Board of Directors pursuant to paragraph (c) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2025.*

3. On or before October 1, 2023, the Speaker of the Assembly shall appoint one member of the Board of Directors pursuant to paragraph (d) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2026.

4. Not later than 90 days after the organizational meeting held pursuant to subsection 2 of section 24 of this act, the members of the Board of Directors appointed pursuant to paragraphs (a) ~~[, (b) and (c)]~~ *to (e), inclusive,* of subsection 1 *of section 22 of this act* shall elect:

(a) One member of the Board pursuant to paragraph ~~[(d)]~~ *(f)* of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2018; and

(b) One member of the Board pursuant to paragraph ~~[(d)]~~ *(f)* of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2019.

~~[3.]~~ *5.* After ~~*[Except as otherwise provided in this section, after]*~~ the initial terms, each member of the Board of Directors must be appointed for a 4-year term that begins on the day following the day on which the immediately preceding term expires. A member of the Board of Directors may be reappointed.

~~*[4. If the County issues bonds pursuant to section 34 of the Southern Nevada Tourism Innovation Act, within 30 days of the date following the issuance of such bonds on which a vacancy occurs in the membership of the Board of Directors with respect to one of the two members described in paragraph (d) of subsection 1 of section 22 of this act or the term of one of the two members described in paragraph (d) of subsection 1 of section 22 of this act expires, the members of the Board of Directors appointed pursuant to paragraphs (a), (b) and (c) of subsection 1 of section 22 of this act shall elect a member of the Board pursuant to paragraph (d) of subsection 1*~~

~~*of section 22 of this act to an initial 4 year term that commences on the date of his or her election. In electing a member pursuant to this subsection, the members of the Board of Directors appointed pursuant to paragraphs (a), (b) and (c) of subsection 1 of section 22 of this act shall comply with the provisions of paragraph (b) of subsection 3 of section 22 of this act.]*~~

Sec. 37.5. Section 23 of the Southern Nevada Tourism Improvements Act, being chapter 2, Statutes of Nevada 2016, 30th Special Session, at page 21, is hereby amended to read as follows:

Sec. 23. 1. Not later than 30 days after the effective date of sections 21 to 37, inclusive, of this act:

(a) The Governor shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2018; and

(2) Two members of the Board of Directors pursuant to paragraph (a) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2019.

(b) The Board of County Commissioners shall appoint:

(1) One member of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2018; and

(2) Two members of the Board of Directors pursuant to paragraph (b) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment, and expires on December 31, 2019.

(c) The President of the University shall appoint the member of the Board of Directors appointed pursuant to paragraph (e) of subsection 1 of section 22 of this act.

2. On or before October 1, 2023, the Majority Leader of the Senate shall appoint one member of the Board of Directors pursuant to paragraph (c) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2025.

3. On or before October 1, 2023, the Speaker of the Assembly shall appoint one member of the Board of Directors pursuant to paragraph (d) of subsection 1 of section 22 of this act to an initial term that commences on the date of the appointment and expires on December 31, 2026.

4. Not later than 90 days after the organizational meeting held pursuant to subsection 2 of section 24 of this act, the members of the Board of Directors appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 of section 22 of this act shall elect:

(a) One member of the Board pursuant to paragraph (f) of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2018; and

(b) One member of the Board pursuant to paragraph (f) of subsection 1 of section 22 of this act to an initial term that commences on the date of his or her election, and expires on December 31, 2019.

5. ~~[After]~~ *Except as otherwise provided in this section, after* the initial terms, each member of the Board of Directors must be appointed for a 4-year term that begins on the day following the day on which the immediately preceding term expires. A member of the Board of Directors may be reappointed.

6. If the County issues bonds pursuant to section 34 of the Southern Nevada Tourism Innovation Act, within 30 days after the date following the issuance of such bonds on which a vacancy occurs in the membership of the Board of Directors with respect to one of the two members described in paragraph (f) of subsection 1 of section 22 of this act or the term of one of the two members described in paragraph (f) of subsection 1 of section 22 of this act expires, the members of the Board of Directors appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 of section 22 of this act shall elect a member of the Board pursuant to paragraph (f) of subsection 1 of section 22 of this act to an initial 4-year term that commences on the date of his or her election. In electing a member pursuant to this subsection, the members of the Board of Directors appointed pursuant to paragraphs (a) to (e), inclusive, of subsection 1 of section 22 of this act shall comply with the provisions of paragraph (b) of subsection 3 of section 22 of this act.

Sec. 38. NRS 338.080 is hereby amended to read as follows:

338.080 Except as otherwise provided in NRS 408.55086, none of the provisions of NRS 338.020 to 338.090, inclusive, apply to:

1. ~~[Any work, construction, alteration, repair or other employment performed, undertaken or carried out, by or for any railroad company or any person operating the same, whether such work, construction, alteration or repair is incident to or in conjunction with a contract to which a public body is a party, or otherwise.~~

~~2.]~~ Apprentices recorded under the provisions of chapter 610 of NRS.

~~[3.]~~ *2.* Any contract for a public work whose estimated cost is less than $100,000. A unit of the project must not be separated from the total project, even if that unit is to be completed at a later time, in order to lower the estimated cost of the project below $100,000.

Sec. 39. NRS 360.750 is hereby amended to read as follows:

360.750 1. A person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of the taxes imposed on the:

(a) New business pursuant to chapter 361, 363B or 374 of NRS.

(b) Expanded business pursuant to chapter 361 or 363B of NRS or a partial abatement of the local sales and use taxes imposed on the expanded business. As used in this paragraph, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is to be located or expanded, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

2. The Office of Economic Development shall approve an application for a partial abatement pursuant to this section if the Office makes the following determinations:

(a) The business offers primary jobs and is consistent with:

(1) The State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Executive Director of the Office to implement the State Plan for Economic Development.

(b) Not later than 1 year after the date on which the application was received by the Office, the applicant has executed an agreement with the Office which must:

(1) Comply with the requirements of NRS 360.755;

(2) State the date on which the abatement becomes effective, as agreed to by the applicant and the Office, which must not be earlier than the date on which the Office received the application and not later than 1 year after the date on which the Office approves the application;

(3) State that the business will, after the date on which the abatement becomes effective, continue in operation in this State for a period specified by the Office, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection;

(4) State that the business will offer primary jobs; and

(5) Bind the successors in interest of the business for the specified period.

(c) The business is registered pursuant to the laws of this State or the applicant commits to obtain a valid business license and all other permits required by the county, city or town in which the business operates.

(d) Except as otherwise provided in subsection 4 or 5, the average hourly wage that will be paid by the business to its new employees in this State is at least 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

(e) The business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, offer a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees, and the health care benefits the business offers to its employees in this State will meet the minimum requirements for health care benefits established by the Office.

(f) Except as otherwise provided in this subsection and NRS 361.0687, if the business is a new business in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business meets at least one of the following requirements:

(1) The business will have 50 or more full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(2) Establishing the business will require the business to make, not later than the date which is 2 years after the date on which the abatement becomes effective, a capital investment of at least $1,000,000 in this State in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(g) Except as otherwise provided in NRS 361.0687, if the business is a new business in a county whose population is less than 100,000, in an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture, or in a city whose population is less than 60,000, the business meets at least one of the following requirements:

(1) The business will have 10 or more full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(2) Establishing the business will require the business to make, not later than the date which is 2 years after the date on which the abatement becomes effective, a capital investment of at least $250,000 in this State in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(h) If the business is an existing business, the business meets at least one of the following requirements:

(1) For a business in:

(I) Except as otherwise provided in sub-subparagraph (II), a county whose population is 100,000 or more or a city whose population is 60,000 or more, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by twenty-five employees, whichever is greater, who will be employed at the location of the business in that county or

city until at least the date which is 5 years after the date on which the abatement becomes effective; or

(II) A county whose population is less than 100,000, an area of a county whose population is 100,000 or more that is located within the geographic boundaries of an area that is designated as rural by the United States Department of Agriculture and at least 20 miles outside of the geographic boundaries of an area designated as urban by the United States Department of Agriculture, or a city whose population is less than 60,000, the business will, by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, increase the number of employees on its payroll in that county or city by 10 percent more than it employed in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective or by six employees, whichever is greater, who will be employed at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective.

(2) The business will expand by making a capital investment in this State, not later than the date which is 2 years after the date on which the abatement becomes effective, in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the fiscal year immediately preceding the fiscal year in which the abatement becomes effective, and the capital investment will be in capital assets that will be retained at the location of the business in that county or city until at least the date which is 5 years after the date on which the abatement becomes effective. The determination of the value of the tangible property possessed by the business in the immediately preceding fiscal year must be made by the:

(I) County assessor of the county in which the business will expand, if the business is locally assessed; or

(II) Department, if the business is centrally assessed.

(i) The applicant has provided in the application an estimate of the total number of new employees which the business anticipates hiring in this State by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective if the Office approves the application.

(j) Except as otherwise provided in subsection 3, if the business will have at least 50 full-time employees on the payroll of the business by the eighth calendar quarter following the calendar quarter in which the abatement becomes effective, the business, by the earlier of the eighth calendar quarter following the calendar quarter in which the abatement becomes effective or the date on which the business has at least 50 full-time employees on the payroll of the business, has a policy for paid family and medical leave and agrees that all employees who have been employed by the business for at least 1 year will be eligible for at least 12 weeks of paid family and medical leave at a rate of at least 55 percent of the regular wage of the employee. The business will agree in writing that if the Office approves the application, the business will not:

(1) Prohibit, interfere with or otherwise discourage an employee from taking paid family and medical leave:

(I) For any reason authorized pursuant to the Family and Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

(II) To care for any adult child, sibling or domestic partner of the employee.

(2) Discriminate, discipline or discharge an employee for taking paid family and medical leave:

(I) For any reason authorized pursuant to the Family and Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

(II) To care for any adult child, sibling or domestic partner of the employee.

(3) Prohibit, interfere with or otherwise discourage an employee or other person from bringing a proceeding or testifying in a proceeding against the business for a violation of the policy for paid family and medical leave that is required pursuant to this paragraph.

3. *For purposes of paragraph (j) of subsection 2, the Office of Economic Development shall determine that a business meets the requirements of that paragraph if the business has a policy for paid family and medical leave for employees on the payroll of the business outside of this State that meets or exceeds the requirements for a policy for paid family and medical leave pursuant to that paragraph and the business agrees in writing that its employees on the payroll in this State are eligible for paid family and medical leave under such policy.*

4. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

(a) Shall not consider an application for a partial abatement pursuant to this section unless the Office has requested a letter of acknowledgment of the request for the abatement from any affected county, school district, city or town.

(b) Shall consider the level of health care benefits provided by the business to its employees, *the policy of paid family and medical leave provided by the business to its employees,* the projected economic impact of the business and the projected tax revenue of the business after deducting projected revenue from the abated taxes.

(c) May, if the Office determines that such action is necessary:

(1) Approve an application for a partial abatement pursuant to this section by a business that does not meet the requirements set forth in paragraph (f), (g) or (h) of subsection 2;

(2) Make any of the requirements set forth in paragraphs (d) to (h), inclusive, of subsection 2 more stringent; or

(3) Add additional requirements that a business must meet to qualify for a partial abatement pursuant to this section.

~~[4.]~~ *5.* Notwithstanding any other provision of law, the Office of Economic Development shall not approve an application for a partial abatement pursuant to this section if:

(a) The applicant intends to locate or expand in a county in which the rate of unemployment is 7 percent or more and the average hourly wage that will be paid by the applicant to its new employees in this State is less than 70 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

(b) The applicant intends to locate or expand in a county in which the rate of unemployment is less than 7 percent and the average hourly wage that will be paid by the applicant to its new employees in this State is less than 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

(c) The applicant intends to locate in a county but has already received a partial abatement pursuant to this section for locating that business in that county.

(d) The applicant intends to expand in a county but has already received a partial abatement pursuant to this section for expanding that business in that county.

(e) The applicant has changed the name or identity of the business to evade the provisions of paragraph (c) or (d).

~~[5.]~~ *6.* Notwithstanding any other provision of law, if the Office of Economic Development approves an application for a partial abatement pursuant to this section, in determining the types of taxes imposed on a new or expanded business for which the partial abatement will be approved and the amount of the partial abatement:

(a) If the new or expanded business is located in a county in which the rate of unemployment is 7 percent or more and the average hourly wage that will be paid by the business to its new employees in this State is less than 85 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

(b) If the new or expanded business is located in a county in which the rate of unemployment is less than 7 percent and the average hourly wage that will be paid by the business to its new employees in this State is less than 100 percent of the average statewide hourly wage, as established by the

Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

(1) Approve an abatement of the taxes imposed pursuant to chapter 361 of NRS which exceeds 25 percent of the taxes on personal property payable by the business each year.

(2) Approve an abatement of the taxes imposed pursuant to chapter 363B of NRS which exceeds 25 percent of the amount of tax otherwise due pursuant to NRS 363B.110.

~~[6.]~~ *7.* If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer.

~~[7.]~~ *8.* An applicant for a partial abatement pursuant to this section or an existing business whose partial abatement is in effect shall, upon the request of the Executive Director of the Office of Economic Development, furnish the Executive Director with copies of all records necessary to verify that the applicant meets the requirements of subsection 2.

~~[8.]~~ *9.* If an applicant for a partial abatement pursuant to this section fails to execute the agreement described in paragraph (b) of subsection 2 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new application.

~~[9.]~~ *10.* If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the requirements set forth in subsection 2; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 2,

➥ the business shall repay to the Department or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

~~[10.]~~ *11.* A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection ~~[9]~~ *10* in one or more of the funds established by a local government of the county pursuant to NRS 354.6113 or 354.6115; and

(b) May use the money deposited pursuant to paragraph (a) only for the purposes authorized by NRS 354.6113 and 354.6115.

~~[11.]~~ *12.* The Office of Economic Development may adopt such regulations as the Office of Economic Development determines to be necessary to carry out the provisions of this section and NRS 360.755.

~~[12.]~~ *13.* The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment that a new business must make to meet the requirement set forth in paragraph (f) or (g) of subsection 2; and

(2) Any security that a business is required to post to qualify for a partial abatement pursuant to this section.

(b) May adopt such other regulations as the Nevada Tax Commission determines to be necessary to carry out the provisions of this section and NRS 360.755.

~~[13.]~~ *14.* An applicant for a partial abatement pursuant to this section who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

~~[14.]~~ *15.* For the purposes of this section, an employee is a "full-time employee" if he or she is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in subsection 2.

Sec. 40. NRS 705.690 is hereby amended to read as follows:

705.690 1. ~~[The work of or incident to the installation and operation of a monorail is not a public work within the meaning of chapter 338 of NRS.~~

~~2.]~~ A monorail is not a public utility within the meaning of chapter 704 of NRS.

~~[3.]~~ *2.* The Department of Transportation, the county in which a monorail is located or proposed to be located and a city within that county may exercise a power it holds related to transportation to facilitate the installation and operation of a monorail, and may contribute to or assist in the financing of the monorail.

~~[Sec. 38.]~~ *Sec. 41.* There is hereby appropriated from the State General Fund to the Nevada State Infrastructure Bank Fund the sum of ~~[$25,000,000]~~ $14,000,000 for the credit enhancement described in section 30 of this act.

Sec. 42. The amendatory provisions of sections 38 and 40 of this act do not apply to any contract entered into before October 1, 2023.

Sec. 43. The provisions of subsection 1 of NRS 218D.380 do not apply to any provision of this act which adds or revises a requirement to submit a report to the Legislature.

~~[Sec. 39.]~~ *Sec. 44.* Notwithstanding the provisions of NRS 218D.430 and 218D.435, a committee may vote on this act before the expiration of the

period prescribed for the return of a fiscal note in NRS 218D.475. This section applies retroactively from and after ~~[May 24,]~~ June 7, 2023.

Sec. 45. If any provision of this act, or the application thereof to any person, thing or circumstance is held invalid, such invalidity must not affect the provisions of this act which can be given effect without the invalid provision or application, and to this end the provisions of this act are hereby declared to be severable.

~~[Sec. 40.]~~ *Sec. 46.* 1. This section and sections 1 to ~~[35,]~~ 36, inclusive, 37, 41, 43, 44 and 45 of this act become effective upon passage and approval.

2. Sections ~~[36]~~ 36.5 and ~~[37]~~ 37.5 of this act become effective on the date that the Board of Directors of the Clark County Stadium Authority determines that Major League Baseball has authorized a Major League Baseball team to locate or relocate within the sports and entertainment improvement district created pursuant to section 28 of this act and that a Major League Baseball team has committed to locate or relocate within the sports and entertainment improvement district.

3. ~~[Section]~~ Sections 38, 39, 40 and 42 of this act ~~[becomes]~~ become effective on ~~[July]~~ October 1, ~~[2024.]~~ 2023.

4. Sections 36 to 37.5, inclusive, of this act expire by limitation on the date on which the tax imposed pursuant to subsection 1 of section 50 of chapter 2, Statutes of Nevada 2016, 30th Special Session, at page 50, is first imposed, as specified in the ordinance adopted by the Board of County Commissioners of Clark County pursuant to section 50 of chapter 2, Statutes of Nevada 2016, 30th Special Session, at page 50.

Senator Cannizzaro moved the adoption of the amendment.

Remarks by Senator Cannizzaro.

Amendment No. 1 to Senate Bill No. 1 makes various changes to the substance of the bill, including some financing mechanisms, clarifying the taxes to be collected, clarifying pieces of the community benefits agreement, appointments to the Stadium Board and the community benefits board, requires diversity appointments among those and includes provisions for prevailing wages to be paid on monorail projects and then also paid leave for businesses receiving tax abatements. This particular amendment was just debated and discussed in the Committee of the Whole and is in substance what is contained within the whole of Senate Bill No. 1.

Amendment adopted.

Senator Cannizzaro moved that all necessary rules be suspended, that the reprinting of Senate Bill 1 be dispensed with, that the Secretary be authorized to insert Amendment No. 1 adopted by the Senate, and that the bill be declared an emergency measure under the Constitution and placed on third reading for immediate consideration.

Motion carried.

GENERAL FILE AND THIRD READING

Senate Bill No. 1.

Bill read third time.

Remarks by Senators Cannizzaro, Seevers Gansert, Hammond, Harris, Stone, Neal, Flores, Doñate, Hansen and Spearman.

SENATOR CANNIZZARO:

Senator Bill No. 1 enacts the Southern Nevada Tourism Innovation Act to establish a method to finance the design, entitlement, acquisition, construction, improvement, repair, demolition, reconstruction, equipment financing, promotion, leasing, subleasing, management, operation or maintenance of a Major League Baseball stadium project. This bill requires the Clark County Board of County Commissioners to create a sports and entertainment improvement district located at the southeast corner of Las Vegas Boulevard and Tropicana Avenue in unincorporated Clark County to assist in financing the Major League Baseball team stadium project.

The District must only include parcels of land, or portions thereof, on which the Major League Baseball stadium project is located or will be located and certain surrounding necessary or adjacent properties that must not include any operating hotel, public accommodations facility or any operating, licensed gaming establishment. The Board must issue general obligations of the county upon the request of the Board of Directors of the Clark County Stadium Authority. And when certain requirements are met, any proceeds from the general obligations must be distributed to the Stadium Authority and used for purposes related to the Major League Baseball stadium project.

Further, the bill requires, under certain circumstances, the State Treasurer to provide a credit enhancement on bonds issued to finance construction of the Major League Baseball stadium project and appropriates $14 million from the State General Fund to the Nevada State Infrastructure Bank Fund for the credit enhancements.

Additionally, the bill authorizes the Stadium Authority to approve not more than $36 million in transferrable tax credits in a fiscal year or $180 million in total for all qualified projects in this State. The bill requires the Board of County Commissioners to create a Clark County homelessness prevention and assistance fund to assist people who are at risk of becoming homeless or are currently experiencing homelessness.

As part of the development and operation of the Major League Baseball stadium project, the bill requires the development of a community benefits agreement and the creation of a baseball stadium community oversight committee to oversee the implementation and administration of the community benefits agreement.

The bill also requires certain new or existing expanding businesses with 50 full-time employees to provide certain family and medical leave to employees in order to qualify for partial abatement of certain taxes. Finally, Senate Bill No. 1 requires the payment of prevailing wages on any work, construction, alteration, repair or other employment performed, undertaken or carried out by or for the railroad company or any person operating the same regardless of whether a public body is party of the contract. Similarly, the work of or incident to the installation or operation of a monorail may be subject to prevailing wage requirements.

This bill is effective upon passage and approval, with the exception of certain provisions that become effective upon the date that Major League Baseball authorizes a Major League Baseball team to locate or relocate within the sports and entertainment improvement district. Thank you, Madam President pro Tempore. I would urge my colleagues' support.

SENATOR SEEVERS GANSERT:

I urge support of Senate Bill No. 1. Las Vegas has been and continues to be the entertainment capital of the world. We have gaming. We have live shows and entertainment. And now we have professional sports. We've seen tremendous success with Allegiant Stadium and the Raiders. The projected visitation is almost two times what we thought it was going to be. And we also expected about 40 percent of individuals to be from out of state, who are out of the region who attend those games, and it's been closer to 65 percent. It's brought in enormous amounts of capital and visitors to Las Vegas.

This new stadium is a nice fit in that it'll be larger than T-Mobile but smaller than Allegiant. It's in the right place. It's in this exciting city and will be a tremendous venue. It also helps to diversify the hospitality economy again. We went from just gaming to gaming and entertainment and now we've got professional sports, and we know how exciting that is. Baseball also is so

family friendly. This team will bring individuals who can attend at a very low cost, which I think is really positive for the families of Las Vegas and Clark County and those who choose to visit.

There's been a lot of discussion about the investment by the State. The net investment is $60 million in tax credits. And if you look at some of the legislation that we passed last session, even look at some of the bills at the end of session, this is less money than what we spent on a couple of the bills that we had at the end of session. And we expect significant returns as far as finances but also the prestige that we have with Nevada and Las Vegas as the hospitality capital of the world.

So I urge support of this. I think it's a great investment for our State, and it will yield tremendous returns for years to come. Thank you.

SENATOR HAMMOND:

I just wanted to rise and give my support to this bill. I think it addressed many concerns as we vetted the process and many questions that came up. I think that a lot of those concerns were taken care of. This is, by far, definitely a jobs bill. It will provide many jobs not only now but in the future. It expands the economy as was mentioned from my colleague from the North. I think there's enough proper clawbacks and incentives in the bill itself to make it worthwhile.

I think we're gonna have a stadium waiting for a team to come. That team, whoever that might be, will have a total investment of over a billion dollars into this project. What we are contributing is about 23 to 24 percent of it. We have shown that Vegas has become an entertainment center, and this is just going to add to that, as was mentioned. I mean, we have already the Las Vegas Aces, who brought us our very first professional championship. We have the Raiders. And, of course, we have the Knights; they'll be playing tonight, as we heard in our prayer this morning. And I think this is going to expand that. I'm waiting for baseball, so the only thing I can say is let's play ball.

SENATOR HARRIS:

I'm pretty sure folks know where I stand on this, so I'm not gonna retread all of those points. But I did just want to take a quick moment to thank the proponents of this bill for engaging in what was substantive conversation with our caucus. The amendments that were proposed clearly were responsive to the concerns that we raised, including changing it to a $14 million set-aside versus a $25 million, including DEI metrics for the Stadium Authority, nailing down the location of the stadium, tightening up the community benefit agreements and tweaking some changes to the Stadium Authority Board structure. All of those changes were made with us in mind, and I very much appreciate it but will be a "no" today. Thank you.

SENATOR STONE:

Colleagues, as we embark on hopefully our last vote here of this session, I came into this hearing today expecting to vote "yes" on this bill. And I have to say that I'm troubled by the amendments, but I also was elected to do what I think is in the best interests of 3.2 million people. And I came in here excited about this project, and I wanted to explain why.

I wanted to look at public incentives and my philosophy on public incentives. And the questions I ask myself when I'm confronted with these types of expenditures is would I make the same investment with my own money; and is there a good return on investment for the taxpayers; and in a worst-case scenario, what happens when things go south for the taxpayers? If I was not a Senator and was offered a chance to invest in this project as the State is being asked to do, would I do it? And the simple answer and the complicated answer is yes.

Las Vegas is unquestionably the entertainment capital of the world. More than 1.5 times our population come to Nevada each year to enjoy themselves, deposit billions of dollars into our economy, which brings significant tax revenue to our State. I jokingly thank friends that visit me for their contributions to our economy, subsidizing what other people pay in other states as a state income tax.

Now we are on the cusp of becoming the sports entertainment capital of the world. This will bring hundreds of thousands of people to Southern Nevada, infusing our coffers potentially with billions of dollars. Look at the success of the Las Vegas Golden Knights, now fighting tonight hopefully to win the Stanley Cup. The Raiders alone have been a tremendous stimulus to our economy, and we're hosting the Super Bowl at Allegiant Stadium in 2024. The Aces, Formula 1,

WNBA [Women's National Basketball Association], Las Vegas Aviators and an NBA [National Basketball Association] team that may be coming in the future and now a Major League Baseball with this bill and the Athletics potentially coming here.

If we look at the return on investment, this 30,000-seat stadium with a retractable roof is expected to cost about $1.5 billion. Not only will this be the home of the Las Vegas A's and their approximately 80 home games, but it could also be the site of future World Series and many other entertainment events, necessitating a stadium of this unique size here in Nevada. We don't have a 30,000-seat stadium. We've got one that's about 60,000, one that's about 12,000 and many events get turned away because of that unique capacity. The REIT [Real Estate Investment Trust] that owns the Tropicana will donate nine acres to the stadium. The value of that will approximately be $100 million, which eventually is going to be the taxpayers' property. I haven't seen that being recognized or quantified.

The owners of the Athletics is contributing $1.1 billion in cash. In addition, it's not the taxpayers' time but rather on the owner's dime. The taxpayers of the State of Nevada ultimately will own the stadium and ultimately own the land that the stadium is sitting on. So at a minimum, I calculate $1.21 billion is going to be privately funded, or the private sector will be financing 80.6 percent of this project.

Why is a public incentive being even considered? Unfortunately, we are not alone in cities that want to attract a Major League Baseball team. We're competing with other states, other cities. And Major League Baseball encourages such public-private partnerships. You see, without saying it, the public entity participating in the cost of building the venue is really a long-term financial partner. We're financial partners with the A's. Every citizen in Nevada is a beneficiary of the potential income derived from this investment. The citizens of Nevada, North and South, will forever derive significant income from establishing the team here for decades. That's in the billions of dollars. If Nevada were to say no, I know Mr. Fisher, who owns a team, has backup cities salivating in their hope of securing this team away from Nevada. Our projected subsidy of 25 percent—and I believe it to be closer to 20 percent—is one of the lowest such subsidies of a Major League Baseball stadium in the nation. And this is the largest investment of any baseball team owner or company in a stadium.

So what is our investment as the State of Nevada, and what's our risk? We're putting up $180 million in transferrable tax credits. In other words, taxes owed by a third party having such credits can reduce their tax bills in Nevada by the same amount. Nevada is not writing a check from the General Fund for $180 million, but rather this is a credit against future taxes owed to the State. Two-thirds of the $180 million is being required to be paid back to the State. That's a tremendous improvement from its prior iteration. So the net exposure of the State by helping fund this stadium is $60 million.

And there's a lot of protections in this agreement so that we don't go into default, so that we have a backstop. And we recognized that backstop during COVID when Allegiant Stadium wasn't able to make their payments, and they went into their reserve fund. The protections for the taxpayers are not one reserve fund but two reserve funds. And assuming that the stadium comes into budget, the total State of Nevada—not including Clark County's—investment is just 4 percent, $60 million out of $1,500 million or $1.5 billion. And remember, if the owner defaults, all funds must be paid back that we expended or bonded by the State and Clark County, and the State will own the stadium and the land free and clear.

One thing that I think we always want to do is to bring jobs to Nevada. And this does bring a lot of jobs: 14,000 construction jobs, 8,000 operations jobs, 9,000 jobs created from the enhanced tourist visitations. Long term, at a minimum, the citizens of Nevada will see a 300 percent return on their investment that we're making, and the land and the stadium will become a state asset. There is also augmentations to our homeless fund, 1 percent of the ticket sales or a $1.5 million minimum to help programs that we all support to try to help those that find themselves on extremely hard times.

There's also gonna be a fund for offsite infrastructure requirements for surrounding cities. Section 22[2](h) provides that "adequate contribution by the developer partner for the construction or improvement of any infrastructure […] off the site of the project that is determined to be necessary for the project by" the Nevada Department of Transportation." These are gonna be

conditions that are gonna be done by the county of Clark public works department. It will be commensurate with the mitigation measures that are gonna be needed.

Fifteen percent of the project also must be given to small Nevada businesses. I strongly support this provision. And new taxes paid by increased tourism to the State shall be deposited into the General Fund for the benefit of not just Southern Nevada but for the benefit of the entire State, North and South, which we can then use to augment education, augment public safety and augment other special programs that are important to this body and to this State.

So in summary, this project will bring Nevada closer to becoming the sports entertainment capital of the world. Our public investment is one of the lowest ever done in the country for a stadium like this, at 20 to 25 percent. The owner-developer is required to fully reimburse the State if it defaults in the 30-year agreement, not limited to, but including the relocation of the team within the time period. Hence, it is a small risk for the State. And as I mentioned before, small businesses win with this proposal, with this partnership. And more money funded to homeless programs to help us deal with this humanitarian crisis.

Also, which really hasn't been emphasized, is that the existing Tropicana hotel is a vastly underperforming asset today. The owners have not made any significant investments in it and as a result, it does not contribute a whole lot of money to the General Fund in comparison to the value and the build-out potential of this property. So by having the stadium on nine acres—and I think it was a very good business decision for this REIT to donate these nine acres—it's gonna make those 26 acres extremely valuable to put a very large, upscale, modern, beautiful resort to attract even more visitors to Nevada, and it's going to generate revenue that's commensurate with some of our other larger successful venues like the Palazzo, the Wynn and some of these other more modern properties on the Las Vegas Strip. And with that revenue, we can even fund and create more beneficial programs.

So my friends, I came in mixed today. Of course, we don't like to see amendments like we did at the last minute. It just clouds things for some of us, but we have to not take our eye off the ball on what we're trying to accomplish. And one thing I've learned in government in 30 years of doing this is you don't always get 100 percent of what you want. I'm getting about 90 percent of what I want in this agreement because I think it's in the best interests of our constituents.

And so I'll close with an inspirational quote by Jackson Burnett called, "The Past Never Ends."

> A thousand years from now nobody is going to know that you or I ever lived. The cynic is right, but lazy. He says 'You live, you die and nothing you do will ever make a difference.' But as long as I live, I'm going to be like Beethoven and shake my fist at fate and try to do something for those who live here now and who knows how far into the future that will go. If I accomplish nothing more than making my arm sore, at least I will be satisfied that I have lived.

Thank you.

SENATOR NEAL:

I'm gonna keep this fairly brief. I'm rising in opposition to S.B. 1, but I want to say a couple things. Number one, I'm super appreciative of the leadership that we have had—the Democratic leadership that we've had—in this particular building leading us through this second special session, number one. This was not an easy task. It was also not easy to push forward and bring us to what I believe is a better bill than the original version that was presented to us.

I think there's a fundamental, philosophical difference around, should we be using public money to fund stadiums. I didn't vote for the Raiders when they asked for public funding of $750 million. I don't believe that the arguments that are being made—that somehow we're a corporation, therefore we should be giving public dollars—that falls flat because we're actually a state, not a corporation, where we're examining whether or not an investment is an appropriate imperative to give to a billionaire to finance a building.

However, the imperative of the State is to take care of the needs of our citizens: health care, education, other severe needs. And so I just want to put that on the record that these requests that—you know, comparing the State to a corporation who should look at the bang for the buck rather than the public investment dollars that are going to be used, which actually is setting a bad

precedent, because if we see in the paper, it entitled other companies to come in and then put their hand out for what they can afford to do without help.

And so I rise in opposition, but I just wanted to say on the record that I appreciate the leadership of our caucus. I appreciate the leadership that has brought us forward. And I think that they are amazing people that I'm serving with, even though we're in a philosophical difference. But I support and respect the decisions that are made on this bill.

SENATOR FLORES:

I also just wanted to echo a little bit of my stance. And first of all, I wanted to say thank you to my constituents and folk who have reached out expressing tremendous concern about this particular bill. They have every single right to be heard, and they have every single right to express their concerns, and I echoed many of those concerns at the very beginning of this conversation.

But I also negotiated in good faith, and during the hearing, every single request that I made was fulfilled. I had concerns about not having the community benefits agreement more narrowly tailored and more specific as to exactly what the floor was going to be, and that language was added to the bill. I wanted to see more firm commitments, and that language was added to the bill. I also had concerns that we were forced into a special session and that we were no longer just negotiating with our partners in the building but we were also negotiating with other branches of government as this body does, and they worked in good faith with us. So I could not pretend that after all that I requested took place, that I then could turn around and not support this.

But more importantly than that, in speaking about our particular leadership, we have a majority leader who hasn't slept in about a month, who has a beautiful child who was born, and we all got to witness her come back a few days after that, get called into two special sessions. We had individuals who unfortunately have sick relatives who they need to go back to and take care of. We had individuals who their employer was expecting them to be at the job as of Tuesday. We had individuals who canceled vacations. We had folk miss birthdays. We had folk miss a whole host of incredibly important things. And yet, we all stayed, and we all muscled through this, particularly watching our majority leader because if she was doing it, none of us had any excuse not to do the same work.

But to everybody who is watching, they have to know that there has been endless nights, endless amendments, endless fights back and forth and working in good faith and trying to get the best possible deal for Nevadans, that we now have a community agreement that is better than any other we've ever seen in this country. That is a testament to the human beings—and I am taking zero credit for that—that is testament to the human beings who were leading this fight. And on that basis alone, I have to stand here because I assure every Nevadan, even those of you who have concerns about this bill, I assure you that if you see where the bill started and where it is now, that there is not a single Nevadan that won't say this bill is much better now.

But more importantly, if any one of you would have had an opportunity to be in those rooms with us and watch the amazing human beings, particularly—and as we all know, it's a women-led majority—watch the women, the work that they did and that I could sit there and absorb and watch and learn from that, that I had a responsibility to stand alongside the decisions that were made.

And so with that, I am ready for the consequences and the criticisms that will come with this vote, but I am also ready to see a whole host of people working. I am also ready to see a whole host of people who are criticizing this deal, just like they did with the Allegiant Stadium, and demonstrate that Nevada always overperforms. I am ready to demonstrate that we're gonna hold anybody who's put our hand out there to have a firm handshake as a partner with Nevadans that we're gonna hold them accountable every step of the way; I'm also ready for that. Thank you.

SENATOR DOÑATE:

I also rise in support of Senate Bill No. 1. I do have just a quick few remarks. Number one, I agree with my colleague: I think that within the timeframe that this bill was introduced—in the 82nd Legislative Session to the special session that we have before us today and also from the presentation to what we're voting on—I believe that there are provisions in this legislation that have put more restrictions into actually delivering for the people of this State.

I do want to mention a few things. Number one, my colleague mentioned of amendments that were accepted and reflected in this bill. And I want to touch point on a few of them. During my

line of questioning, I mentioned that I had concerns with the homelessness provisions of the bill. I felt that it was too centered and narrow towards the resort corridor, and the bill before us today has now expanded that to Clark County. I think that's important. We know that there are surrounding neighborhoods, particularly down the street from where I live, that that is an issue that needs to be addressed. Second, I mentioned and reiterated my opposition to not being able to address the traffic concerns that the residents in my district were going to experience, considering the proximity to where we live, and the amendment before us also includes that.

And then I also wanted to mention that the amendment also addresses one thing which is probably historical in this State. With the amendment that we have today, there are now considerations for paid family and medical leave. That itself is a big deal. For years, families in this State have advocated for that luxury. We know that there are workers in this State that when they get sick, they're not able to take the appropriate time. I myself have had workers for the companies that I've worked for not being afforded that same luxury. And so we are setting a new standard as to how business is done in this State.

And to end my remarks as to what led to what my support is for this bill, I think it goes to show that my personal background is I am the proud son of casino workers. My family members, as I've reiterated over and over again, work in the casinos. My dad has worked in the casinos for 20 years. My grandma worked at the Stratosphere. We all worked at the Stratosphere. And I have relatives all across the Las Vegas Strip. I had concerns with the bill of how workers would be displaced, and what I have, based on my internal conversations, is that the people of that particular district will be protected. But I also want to reiterate that when the COVID-19 pandemic first hit, my family members were the ones that were laid off, and I was the one that had to fill out their unemployment forms. It was a frustrating experience; it was an experience that I felt that no child should ever have to go through. And so when I think about this proposal and the jobs that it can provide, I would hope that at least some child does not face the same circumstance that I did. And so I support this bill and the jobs that will be created and the lives that will be shaped beyond this bill. Thank you so much.

SENATOR HANSEN:

I apologize I didn't get to hear all the debates on the amendment. I did hear and read some texts and so forth.

I think there's one—and I agree with Senator Neal—and that is, there's a huge philosophical gap going on here. All of this sounds good, and as my colleague said, if this was my money, would I invest in it? The answer is yes, I would. However, it's not my money. We're using taxpayer dollars to finance a private enterprise. And yes, there's lots of good checks and balances, but we're setting, once again, a very dangerous precedent here. And while the Raiders' stadium to date has performed well, it's a very long-term project.

And what I'm more worried about is if you really go back to what Jeremy Aguero said in his testimony, he mentioned that 43 percent of the tax revenue for the State of Nevada is now coming from the big mega casinos in Las Vegas. So in the future, if we're gonna follow the logic that the Raiders' stadium is gonna produce lots of revenue and the A's stadium is gonna produce lots of revenue and that's why we as a government have these taxpayer dollars to help finance these projects, are we gonna follow that same logic in the future when another Steve Wynn-type shows up and says, "Hey, I wanna build a giant, mega-resort casino now. While it may not be an athletic event, it is gonna generate billions of dollars over time in tax revenue. Therefore, I want the State of Nevada taxpayers," which we all represent, "to now help pay a portion of a mega casino perhaps in the future." And when Senator Neal mentioned that, I think that's what we gotta understand. These deals are great, and I have no doubt that the A's will make money, but if that's the case, why are we holding the taxpayers accountable for financing it? If there's that much wealth that's gonna be generated here, there are people known as venture capitalists out there, who literally have billions of dollars, who would love an opportunity to invest in a project that's such a guaranteed profit maker.

So I guess that for me—and I apologize for missing the amendment and the debate on the amendment—the bigger issue to me is, are we as elected officials … when I ran for office, as you all know, I am a plumber and a contractor. I'm not a venture capitalist. I didn't run for State Treasurer like Zach Conine did. And I'm not qualified, in my opinion, to make these sorts of giant,

billion-dollar decisions. Now, maybe there are people in this audience that feel comfortable doing that with taxpayer dollars and not their own dollars, but I don't feel that way. And I feel very uncomfortable telling my taxpayers in Nevada that I'm gonna use your dollars and I'm gonna use my best judgment, which in the financial world isn't necessarily all that strong, and I'm gonna make these kind of decisions for you rather than letting what we used to believe in, called the free market, make these kind of decisions.

Why are we now deciding that the government should replace the free market and let the entrepreneurial types in our communities find a way to finance these sorts of things? These baseball stadiums all across the country for the last 50 years have been doing this to communities all over the nation, and now we're saying, well, we're competing with other places. Well, so be it. When are we gonna break that cycle? And at some point, it's gonna switch just from athletic events and athletic stadiums to things like casinos and other things that have historically always been financed with private dollars. And that's the philosophical [inaudible].

MADAM PRESIDENT PRO TEMPORE:

I think you went to mute again, Senator Hansen. We can't hear you.

SENATOR HANSEN:

My apologies. Just a quick reminder, somehow we couldn't come up with $32 million for 3,000 public school teachers in the charter school system, but here we're coming up with I don't know how many hundreds of millions of tax-credit dollars that could be used for all sorts of things that we always are coming up short on in the State of Nevada. So if we can't come up with money to finance our own public school teachers in the charter schools, how is it we always seem to come up with money for football stadiums and other forms of athletic event stadiums? I think our priorities are messed up.

So with that, Madam President pro Tem, I'm going to vote "no." I think honestly if it was my own money, it's a good deal. I would probably vote "yes." But it's not my money. It's the taxpayer's money, and we should do all we can to ensure the private sector does these sorts of investments and we live up to what used to be called the free enterprise system that at least in my party, the Republicans, that used to be our gold standard. Let the market decide. The unseen hand of Adam Smith, you know, where did those days go? Now we're all looking as Republicans for figuring out ways to subsidize projects with taxpayer dollars. That used to be called socialism; it was something that we didn't believe in. But apparently now, if it looks like it may work out, hey, let's use taxpayer dollars [inaudible].

Thank you, Madam President pro Tem, and I'm going to vote "no."

SENATOR SPEARMAN:

I just want to make a brief statement. I agree with some of my colleagues who have talked about what this would mean, but I also have heard from some other people who are in disagreement. And I heard from another one of our partners in labor today who is afraid that if this goes south, they're Clark County taxpayer dollars. And that's why I asked the question, if worst comes to worst—and I'm hoping that everything will go well—but if worst comes to worst, who's on the line for this?

And I'm going to have to vote "no" because I just believe that—somebody look at the time and the date because I'm gonna agree with Senator Hansen. It doesn't happen often. And it almost feels like … and I just kind of wrested with this not just today but wrestled with this since last week. And I said to someone about 30 minutes ago, I feel like Solomon and there are two women that showed up and there's one baby and they're asking, "Who's baby?" And Solomon says, "Split the baby," and the mother said, "No." I'm not sure if I'm Solomon or the mother that said "No." I just know that I have an obligation to several of my constituents, and someone asked had I received any positive emails, and I had not.

So I will say this. I'm going to vote "no," not because I have something against jobs, but there are other jobs. There are other members of labor who have said to me their jobs may be on the line. And so I'm going to side with them. And I'm also going to lay down on the side of some fiscal conservatism because we didn't know that COVID was coming in 2019, and we don't know if there will be another one. And I just would hate to see that happen and then people who count on these jobs, because taxpayer money has gone to something else, don't have 'em.

But I will pledge to those of you who are proponents—I appreciate everything, and I've thought about everything that you've said—I will work with whomever wants to work with me because they did add something in the amendments that dealt with women veterans. Didn't go all the way, didn't go all the way, but I am certainly willing to work with anyone who is serious about doing that work with them to make sure that we get something done for women veterans.

So it's been a tough struggle, a lot of consternation. And I'm not voting against jobs, I believe in that. And one of the things that I know that will happen, which is why I pressed so hard for us to expand our renewable energy resources, is that that is one of the industries that will bring not just jobs sometimes—not just jobs 8 times a year or jobs 81 times a year—but that's something that will bring jobs *ad infinitum*. So I'm just gonna say I'm voting my conscience, and I think that everyone else is as well.

Roll call on Senate Bill No. 1:
YEAS—13.
NAYS—Goicoechea, Hansen, Harris, Neal, Nguyen, Scheible, Spearman, Titus—8.

Senate Bill No. 1 having received a constitutional majority, Madam President pro Tempore declared it passed, as amended.

Bill ordered transmitted to the Assembly.

Senator Cannizzaro moved that the Senate adjourn until Wednesday, June 14, 2023, at 1:00 p.m.

Motion carried.

Senate adjourned at 2:51 p.m.

Approved: PAT SPEARMAN
President pro Tempore of the Senate

Attest: BRENDAN BUCY
Secretary of the Senate