Amendment No. 1005

Senate Amendment to Assembly Bill No. 317 Second Reprint	(BDR 32-616)
Proposed by: Senate Committee on Finance	
Amends: Summary: No Title: No Preamble: No Joint Sponsorship: No Digest: Yes	

ASSEMBLY ACTION				Initial and Date	SENATE ACTION				Initial and Date
Adopted	☐	Lost	☐		Adopted	☐	Lost	☐	
Concurred In	☐	Not	☐		Concurred In	☐	Not	☐	
Receded	☐	Not	☐		Receded	☐	Not	☐	

EXPLANATION: Matter in (1) ***blue bold italics*** is new language in the original bill; (2) ***green bold italic underlining*** is new language proposed in this amendment; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment; and (6) **green bold dashed underlining** is newly added transitory language.

SJC/BJE Date: 6/1/2009

A.B. No. 317—Provides for the disbursement of a portion of the proceeds of the state tax imposed on certain businesses to regional organizations for economic development. (BDR 32-616)

A AB317 R2 1005

ASSEMBLY BILL NO. 317–ASSEMBLYMAN OCEGUERA

MARCH 12, 2009

———————

Referred to Committee on Taxation

SUMMARY—Provides for the disbursement of a portion of the proceeds of the state tax imposed on certain businesses to regional organizations for economic development. (BDR 32-616)

FISCAL NOTE: Effect on Local Government: No.
Effect on the State: Yes.

~

EXPLANATION – Matter in ***bolded italics*** is new; matter between brackets ~~[omitted material]~~ is material to be omitted.

AN ACT relating to taxation; providing for the disbursement of a portion of the proceeds of the state tax imposed on certain businesses to regional organizations for economic development; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

This bill **temporarily** requires the Department of Taxation to disburse to a regional organization for economic development which directly assists in the location of a business in this State, other than a gaming business, 50 percent of the state business tax paid by that business for **not more than** 10 fiscal years as a result of the location of the business in this State. ~~[The total amount of these disbursements, together with any other amounts allocated by the Legislature, to such a regional organization during any fiscal year is limited to $1 million.]~~ The money disbursed to such a regional organization must be used to promote economic development in this State and not for administrative expenses.

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

Section 1. Chapter 363B of NRS is hereby amended by adding thereto a new section to read as follows:

1. Except as otherwise provided in this section, the Department shall, on a quarterly basis, disburse to an eligible organization 50 percent of the amount of tax paid by an employer pursuant to NRS 363B.110, after the deduction of any abatements and exemptions to which that employer is entitled, which is attributable to any employment that results from the location, with the direct assistance of that eligible organization, of the business of that employer in this State. The provisions of this subsection apply only to the applicable amount of tax paid by the employer for each calendar quarter that:

(a) Commences not less than 30 days after the eligible organization files with the Department an affidavit, executed by an officer of the employer ~~[,]~~ ***and an officer of the eligible organization, stating that the eligible organization directly***

recruited the employer to locate its business in this State or otherwise directly assisted the employer to locate its business in this State; and

(b) Ends not later than the last day of the 10th fiscal year after the commencement of the pertinent location by the employer of its business in this State.

2. The total amount disbursed ~~[to each eligible organization]~~ during each fiscal year pursuant to this section ~~[,]~~ to:

(a) Each eligible organization located in a county whose population is 100,000 or more, together with any other amounts allocated or appropriated by the Legislature to the eligible organization for that fiscal year, must not exceed the sum of $1,000,000 ~~[.]~~ ; and

(b) All other eligible organizations must not exceed the cumulative sum of $1,000,000, without regard to any other amounts allocated or appropriated by the Legislature to those eligible organizations for that fiscal year.

3. Any money disbursed to an eligible organization pursuant to this section:

(a) Must be expended by the eligible organization to promote the advantages of locating or expanding businesses in this State, to recruit and attract businesses from outside this State, to retain and expand businesses in this State, and to engage in research and analysis in support of economic development in this State; and

(b) Must not be expended for any administrative expenses of the eligible organization.

4. The Department : ~~[may:]~~

(a) May:

(1) Require an eligible organization to submit such documentation as the Department determines to be necessary for the administration of this section.

~~[(b)]~~ (2) Refuse to make any further disbursements of money pursuant to this section to an eligible organization that:

~~[(1)]~~ (I) Fails or refuses to submit any documentation as required by the Department pursuant to ~~[paragraph (a);]~~ subparagraph (1); or

~~[(2)]~~ (II) Expends any money received pursuant to this section in a manner that does not comply with the requirements of subsection 3.

(b) Shall, on or before the last day of the month immediately following each calendar quarter, submit to the Interim Finance Committee a report which:

(1) States the total amount of money disbursed pursuant to this section for each of the immediately preceding 4 calendar quarters; and

(2) Identifies each eligible organization to which any money was disbursed pursuant to this section for any of the immediately preceding 4 calendar quarters and states the total amount of money disbursed to each of those eligible organizations for each of the those calendar quarters.

5. Each eligible organization that receives any disbursement of money pursuant to this section for a calendar quarter shall, within 30 days after receiving that disbursement, submit to the Interim Finance Committee a report which:

(a) Identifies each of the employers regarding whom the disbursement was received, identifies the type of business or industry conducted by the employer, and states the number of persons employed by the employer in this State during that calendar quarter and the average weekly wages paid to those persons during that calendar quarter; and

(b) Summarizes the manner in which the eligible organization has expended or intends to expend the amount of that disbursement.

6. Any disbursement of money to an eligible organization pursuant to this section shall be deemed to constitute an appropriation of public money for the purposes of NRS 218.855.

~~*[6.]*~~ ***7. For the purposes of this section:***

(a) "Eligible organization" means a regional organization for economic development which is recognized by the Commission on Economic Development and which:

(1) Operates on a nonprofit basis;

(2) Receives funding from dues paid by the members of the organization; and

(3) Does not constitute a government, governmental agency or political subdivision of a government.

(b) "Employer" does not include any employer who is required to hold a license issued by the Nevada Gaming Commission pursuant to title 41 of NRS.

Sec. 2. NRS 363B.060 is hereby amended to read as follows:

363B.060 The Department shall:

1. Administer and enforce the provisions of this chapter, and may adopt such regulations as it deems appropriate for those purposes.

2. ~~[Deposit]~~ ***Except as otherwise provided in section 1 of this act, deposit*** all taxes, interest and penalties it receives pursuant to this chapter in the State Treasury for credit to the State General Fund.

Sec. 3. This act becomes effective on July 1, 2009 ~~[.]~~ **, and expires by limitation on June 30, 2011.**