

## Amendment No. 284

Assembly Amendment to Assembly Bill No. 338

(BDR 18-123)

**Proposed by:** Assembly Committee on Commerce and Labor**Amends:** Summary: Yes Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

| ASSEMBLY ACTION |                          |      |                          | Initial and Date | SENATE ACTION |                          |      |                          | Initial and Date |
|-----------------|--------------------------|------|--------------------------|------------------|---------------|--------------------------|------|--------------------------|------------------|
| Adopted         | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____            | Adopted       | <input type="checkbox"/> | Lost | <input type="checkbox"/> | _____            |
| Concurred In    | <input type="checkbox"/> | Not  | <input type="checkbox"/> | _____            | Concurred In  | <input type="checkbox"/> | Not  | <input type="checkbox"/> | _____            |
| Receded         | <input type="checkbox"/> | Not  | <input type="checkbox"/> | _____            | Receded       | <input type="checkbox"/> | Not  | <input type="checkbox"/> | _____            |

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.

DDE/EGO



Date: 4/14/2009

A.B. No. 338—Makes various changes concerning small business start-ups for veterans and senior citizens. (BDR 18-123)



## ASSEMBLY BILL NO. 338--ASSEMBLYWOMAN MCCLAIN

MARCH 13, 2009

Referred to Committee on Commerce and Labor

SUMMARY—~~[Makes various changes]~~ **Authorizes a program to provide grants to nonprofit private entities** concerning small business start-ups for veterans and senior citizens. (BDR ~~(48-123)~~ **53-123**)

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

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

AN ACT relating to economic development; ~~[requiring the Commission on Economic Development to administer a program of grants to nonprofit organizations that provide loans for small businesses being started by veterans and senior citizens; establishing an account to provide funds for the program of grants; requiring that certain payments made by employers be deposited into the account;]~~ **authorizing a program to provide grants to nonprofit private entities to be used to make loans to veterans and senior citizens to start small businesses;** and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

~~[Sections 2 and 3 of this bill require the Commission on Economic Development to establish and administer the Senior Citizen and Veteran Small Business Start Up Account. The purpose of the Account is to provide grants of money to nonprofit entities, which must use the money to make start-up loans to senior citizens and veterans starting small businesses. Existing law requires certain employers to make payments at the rate of .05 percent of the wages paid to employees into the Unemployment Compensation Administration Fund for a program of the employment and training of unemployed persons and persons employed in this State. (NRS 612.606) Sections 4 and 5 of this bill require that 30 percent of the money collected from those employers be deposited in the Senior Citizen and Veteran Small Business Start Up Account.] Existing law requires certain employers to make payments into the Unemployment Compensation Administration Fund for the program for the employment and training of unemployed persons and persons employed in this State. (NRS 612.606, 612.607) This bill authorizes the expenditure of such money to establish a program to provide grants to nonprofit private entities to be used to make loans to veterans and senior citizens to start small businesses.~~

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

1       **Section 1.** ~~[Chapter 231 of NRS is hereby amended by adding thereto the~~  
2 ~~provisions set forth as sections 2 and 3 of this act.]~~ **(Deleted by amendment.)**

3       **Sec. 2.** ~~1. The Commission on Economic Development shall establish~~  
4 ~~with the State Treasurer a special account in the State General Fund to be known~~  
5 ~~as the Senior Citizen and Veteran Small Business Start Up Account.~~

6       ~~2. Any money received by the State Treasurer pursuant to NRS 612.607~~  
7 ~~must be deposited in the Account established pursuant to subsection 1.~~

8       ~~3. The Commission may apply for or accept any gifts, grants, donations or~~  
9 ~~contributions from any source to carry out the provisions of this section and~~  
10 ~~section 3 of this act. Any money the Commission receives pursuant to this~~  
11 ~~subsection must be deposited in the Account established pursuant to subsection 1.~~

12       ~~4. The interest and income earned on money in the Account must be~~  
13 ~~credited to the Account. Money that remains in the Account at the end of the~~  
14 ~~fiscal year does not revert to the State General Fund, and the balance in the~~  
15 ~~Account must be carried forward to the next fiscal year.~~

16       ~~5. Any claims against the Account must be paid as other claims against the~~  
17 ~~State are paid.]~~ **(Deleted by amendment.)**

18       **Sec. 3.** ~~1. The Commission on Economic Development shall administer~~  
19 ~~the Senior Citizen and Veteran Small Business Start Up Account established~~  
20 ~~pursuant to section 2 of this act and may make grants of money to a nonprofit~~  
21 ~~private entity for the purpose of allowing that entity to make loans of seed money~~  
22 ~~to veterans and senior citizens to start small businesses.~~

23       ~~2. A recipient may use the money only to make loans to be used as seed~~  
24 ~~money by veterans and senior citizens to start small businesses.~~

25       ~~3. Seed money loaned to a veteran or senior citizen pursuant to this section~~  
26 ~~must be used to pay the costs of starting a new small business, including, without~~  
27 ~~limitation:~~

28       ~~(a) The costs of purchasing, leasing, renovating or building a facility;~~

29       ~~(b) The procuring of signs, fixtures, supplies, inventory and advertising;~~

30       ~~(c) Fees for building permits, business licenses and required inspections.~~

31       ~~4. The Commission shall adopt regulations establishing criteria and~~  
32 ~~standards relating to the eligibility for and use of any grants made pursuant to~~  
33 ~~this section.~~

34       ~~5. As used in this section:~~

35       ~~(a) "Seed money" means money used for setting up a new small business.~~

36       ~~(b) "Senior citizen" has the meaning ascribed to it in NRS 420.650.~~

37       ~~(c) "Small business" means a business conducted for profit which is~~  
38 ~~intended to employ fewer than 150 full time or part time employees.]~~ **(Deleted by**  
39 **amendment.)**

40       **Sec. 4.** ~~[NRS 612.606 is hereby amended to read as follows:~~

41       ~~612.606 — 1. Except as otherwise provided in subsection 4, in addition to any~~  
42 ~~other contribution required by this chapter, each employer shall make payments~~  
43 ~~into the Unemployment Compensation Administration Fund created in NRS~~  
44 ~~612.605 for the program for the employment and training of unemployed persons~~  
45 ~~and persons employed in this State and the Senior Citizen and Veteran Small~~  
46 ~~Business Start Up Account established pursuant to section 2 of this act at the rate~~  
47 ~~of .05 percent of the wages he pays.~~

48       ~~2. The interest and forfeit provisions of NRS 612.620 and 612.740,~~  
49 ~~respectively, are inapplicable to the payments required by this section.~~

~~3. In determining unemployment compensation contribution rates assigned to employers pursuant to this chapter, payments paid pursuant to this section into the Unemployment Compensation Administration Fund created in NRS 612.605 for the program for the employment and training of unemployed persons and persons employed in this State [pursuant to this section] and the Senior Citizen and Veteran Small Business Start-Up Account established pursuant to section 2 of this act must remain separate from any other contribution paid pursuant to this chapter and must not be included in any manner in computing the contribution rates to be assigned to employers under NRS 612.550.~~

~~4. The provisions of this section do not apply to an employer:~~

~~(a) Who has been assigned a contribution rate of 5.4 percent pursuant to subsection 6 of NRS 612.550; or~~

~~(b) Who has elected to make reimbursement in lieu of contributions pursuant to NRS 612.553.] (Deleted by amendment.)~~

Sec. 5. NRS 612.607 is hereby amended to read as follows:

612.607 1. All payments ~~collected~~ ~~due~~ pursuant to NRS 612.606 must be deposited in the Unemployment Compensation Administration Fund, [transferred to the State Controller for deposit in the State General Fund for distribution in the following manner:

~~(a) Seventy percent to the Unemployment Compensation Administration Fund created in NRS 612.605; and~~

~~(b) Thirty percent to the Senior Citizen and Veteran Small Business Start-Up Account established pursuant to section 2 of this act.~~

~~2.]~~ At the end of each fiscal year, the State Controller shall transfer to the Clearing Account in the Unemployment Compensation Fund the amount by which the unencumbered balance of the money deposited in the Unemployment Compensation Administration Fund pursuant to this subsection ~~[section]~~ exceeds the amount of that money which the Legislature has authorized for expenditure during the first 90 days of the succeeding fiscal year.

2. [3.] Except for money transferred from the Unemployment Compensation Administration Fund pursuant to subsection 1, the Administrator may only expend the money collected for the employment and training of unemployed persons and persons employed in this State to:

(a) Establish and administer an employment training program which must foster job creation, minimize unemployment costs of employers and meet the needs of employers for skilled workers by providing training to unemployed persons. ~~[(b)]~~

(b) Establish or provide support for job training programs in the public and private sectors for training, retraining or improving the skills of persons employed in this State. ~~[(c)]~~ ~~and]~~

(c) Establish a program to provide grants of money to a nonprofit private entity to be used to make loans of money to veterans and senior citizens to start small businesses. The Administrator shall adopt regulations establishing criteria and standards relating to the eligibility for and use of any grants made pursuant to this paragraph.

(d) Pay the costs of the collection of payments required pursuant to NRS 612.606.

3. [4.] The money used for the program for the employment and training of unemployed persons and persons employed in this State must supplement and not displace money available through existing employment training programs conducted by any employer or public agency and must not replace, parallel, supplant, compete with or duplicate in any way existing apprenticeship programs approved by the State Apprenticeship Council.

4. As used in this section:

- 1 (a) "Senior citizen" has the meaning ascribed to it in NRS 439.650.
- 2 (b) "Small business" means a business conducted for profit which:
- 3 (1) Employs 50 or fewer full-time employees; and
- 4 (2) Has gross annual sales of less than \$5,000,000.
- 5 **Sec. 6.** This act becomes effective on July 1, 2009.