

ASSEMBLY BILL NO. 449—ASSEMBLYMEN OCEGUERA,  
KIRKPATRICK, CONKLIN, SMITH; BROOKS AND  
GOICOECHEA

MARCH 21, 2011

JOINT SPONSORS: SENATORS HORSFORD AND MCGINNESS

Referred to Committee on Ways and Means

SUMMARY—Revises provisions relating to economic  
development. (BDR 18-726)

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

~

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

AN ACT relating to economic development; creating an Advisory Council on Economic Development; prescribing the duties of the Advisory Council; creating the Board of Economic Development; prescribing the duties and powers of the Board; creating the Office of Economic Development; prescribing the duties and powers of the Office and the Executive Director of the Office; establishing a fund to provide grants to local governments for the purpose of economic development; establishing a fund to provide financial assistance to research institutions within the Nevada System of Higher Education for the development and commercialization of new technologies; amending provisions relating to the Commission on Economic Development, the Governor's Workforce Investment Board and the Secretary of State's business portal; transferring the duties and powers of the Commission on Economic Development to the Board of Economic Development; revising various provisions relating to economic development; and providing other matters properly relating thereto.



\* A B 4 4 9 \*

**Legislative Counsel's Digest:**

**Sections 1-15, 24-45 and 47-78** of this bill establish a structure for the economic development programs of this State. **Section 8** creates an Advisory Council on Economic Development and prescribes its duties. **Section 10** creates the permanent Board of Economic Development consisting of the Governor or his or her designee, the Lieutenant Governor or his or her designee, the Secretary of State or his or her designee and eight persons appointed by the Governor, the Speaker of the Assembly, the Majority Leader of the Senate and the Minority Leaders of the Assembly and Senate. **Sections 12 and 13** create the Office of Economic Development and the position of Executive Director, who must be appointed by the Governor from a list of three persons recommended by the Board. **Section 11** prescribes the duties of the Board. **Sections 12-14** prescribe the duties of the Office and its Executive Director, which include, without limitation: (1) developing an economic development strategy for this State; (2) designating a regional organization for economic development for each of the northern, southern and rural regions of this State, which is eligible to receive economic development grants provided by local governments from money received from the Catalyst Fund created by **section 16** of this bill; and (3) coordinating and overseeing economic development programs in this State to ensure that such programs are consistent with the economic development strategy. Upon the hiring of the Executive Director of the Office of Economic Development, **sections 24-45 and 47-78** transfer all existing powers and duties of the Commission on Economic Development to the Board and require the coordination of certain activities of the Governor's Workforce Investment Board and the Secretary of State's business portal with the activities of the Office of Economic Development and the Board.

**Sections 9, 16, 17 and 46** of this bill create the Catalyst Fund. Under **section 46**, during the 2011-2012 Fiscal Year, \$10,000,000 must be transferred to the Catalyst Fund from the Abandoned Property Trust Account in the State General Fund. This money does not revert and may be supplemented by gifts, grants, donations, bequests or other sources of money. Before the Executive Director of the Office of Economic Development is hired, **section 9** authorizes: (1) the Commission on Economic Development to make, after considering the advice and recommendations of the Advisory Council of Economic Development, grants of money from the Catalyst Fund to local governmental entities; and (2) local governmental entities to use this money to make grants to the local or regional organizations for economic development. The grants must be used to make grants or loans to, or investments in, businesses seeking to create or expand in this State or relocate to this State. Under **section 17**, after the Executive Director of the Office of Economic Development is hired, the Executive Director is authorized to make grants of money from the Catalyst Fund and must establish the procedures for obtaining these grants reporting requirements concerning the use of grants from the Catalyst Fund.

**Sections 18-22** of this bill establish a program for the development and commercialization of research and technology at the University of Nevada, Las Vegas, the University of Nevada, Reno, and the Desert Research Institute. **Section 19** creates the Knowledge Fund and requires the University of Nevada, Las Vegas, the University of Nevada, Reno, and the Desert Research Institute to transfer a certain amount of money each year, beginning with the 2011-2012 Fiscal Year, from each institution's legislative appropriation to the Knowledge Fund. **Section 22** requires the Executive Director of the Office to allocate money in the Knowledge Fund to the Universities and the Desert Research Institute to provide funding for: (1) the recruitment and hiring of faculty and teams to conduct research in science and technology; (2) research laboratories and related equipment; and (3) the construction of research clinics, institutes and facilities and related buildings in this State. Under **section 21**, the Executive Director must use money in the Knowledge



Fund to establish a technology outreach program at strategic locations throughout this State and ensure that the program assists with the development of commercial applications of research. **Section 20** requires the Executive Director to establish economic development objectives for these programs and monitor the programs and the use of money from the Knowledge Fund.

---

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

**Section 1.** NRS 223.610 is hereby amended to read as follows:  
223.610 The Director of the Office of Science, Innovation and  
Technology shall:

1. Advise the Governor on matters relating to science,  
innovation and technology.

2. Work in coordination with the ~~{Commission-on}~~ *Office of*  
Economic Development to establish criteria and goals for economic  
development and diversification in this State in the areas of science,  
innovation and technology.

3. As directed by the Governor, identify, recommend and carry  
out policies related to science, innovation and technology.

4. Report periodically to the ~~{Chair-and}~~ Executive Director of  
the ~~{Commission-on}~~ *Office of* Economic Development concerning  
the administration of the policies and programs of the Office of  
Science, Innovation and Technology.

5. Develop and coordinate efforts to attract biotechnological  
companies to this State.

6. Establish and maintain a clearinghouse of information  
regarding biotechnological business in this State.

**Sec. 2.** Chapter 231 of NRS is hereby amended by adding  
thereto the provisions set forth as sections 2 to 22, inclusive, of this  
act.

**Sec. 3.** *As used in this chapter, unless the context otherwise  
requires, the words and terms defined in sections 4 to 7, inclusive,  
of this act have the meanings ascribed to them in those sections.*

**Sec. 4.** *“Board” means the Board of Economic Development  
created by section 10 of this act.*

**Sec. 5.** *“Executive Director” means the Executive Director  
of the Office.*

**Sec. 6.** *“Office” means the Office of Economic Development  
created by section 12 of this act.*

**Sec. 7.** *“Organization for economic development” means an  
organization which promotes, aids or encourages economic  
development in this State or a locality or region of this State. The  
term includes, without limitation, a regional development district  
created pursuant to NRS 277.300 to 277.390, inclusive.*



**Sec. 8. 1. The Advisory Council on Economic Development is hereby created. The Advisory Council consists of:**

- (a) The Governor;**
- (b) The Lieutenant Governor;**
- (c) The Speaker of the Assembly;**
- (d) The Majority Leader of the Senate;**
- (e) The Minority Leader of the Assembly;**
- (f) The Minority Leader of the Senate; and**
- (g) The Secretary of State.**

**2. The members of the Advisory Council shall serve without compensation.**

**3. The members of the Advisory Council may:**

- (a) Meet with the leaders of businesses who express interest in expanding or relocating in this State; and**
- (b) At the request of the Board, provide advice to the Board concerning the economic development of this State.**

**Sec. 9. 1. The Commission on Economic Development shall:**

**(a) Evaluate the performance of local and regional organizations for economic development in this State and, based on the evaluation, make recommendations concerning the funding or defunding of specific local and regional organizations for economic development;**

**(b) Establish procedures for applying for an economic development grant from the Commission on Economic Development and a grant from the Catalyst Fund created by section 16 of this act;**

**(c) Develop the criteria for awarding grants from the Catalyst Fund created by section 16 of this act;**

**(d) Develop criteria for evaluating the performance of local and regional organizations for economic development; and**

**(e) Establish the requirements for reports from local governmental entities concerning the use of grants of money from the Catalyst Fund.**

**2. Upon receipt of an application for a grant of money from the Catalyst Fund created by section 16 of this act, the Commission on Economic Development may make grants of money from the Catalyst Fund to local governmental entities that apply either singly or jointly for such grants. Local governmental entities that receive a grant of money from the Catalyst Fund shall use the money to make grants of money to a local or regional organization for economic development approved by the Commission. The grant must be used to provide grants or loans to, or to make investments in, businesses seeking to create or expand in this State or relocate to this State. Upon awarding a grant to a**



1 *local governmental entity pursuant to this subsection, the*  
2 *Commission shall enter into an agreement with the local*  
3 *governmental entity which sets forth terms and conditions for the*  
4 *grant, including, without limitation, the return of the grant if the*  
5 *grant is not used in accordance with the agreement.*

6 *3. The Advisory Council on Economic Development may*  
7 *provide advice and recommendations to assist the Commission in*  
8 *carrying out the duties prescribed by this section. The Commission*  
9 *must consider the advice and recommendations of the Advisory*  
10 *Council but is not required to follow the advice and*  
11 *recommendations of the Advisory Council, and any such*  
12 *recommendations are advisory in nature.*

13 **Sec. 10. 1. There is hereby created the Board of Economic**  
14 **Development, consisting of the following members:**

15 (a) *The Governor or his or her designee;*  
16 (b) *The Lieutenant Governor or his or her designee;*  
17 (c) *The Secretary of State or his or her designee; and*  
18 (d) *Eight members who must be selected from the private*  
19 *sector and appointed as follows:*

20 (1) *Three members appointed by the Governor;*  
21 (2) *Two members appointed by the Speaker of the*  
22 *Assembly;*

23 (3) *Two members appointed by the Majority Leader of the*  
24 *Senate; and*

25 (4) *One member appointed as agreed by the Minority*  
26 *Leaders of the Assembly and the Senate.*

27 *2. In appointing the members of the Board described in*  
28 *subsection 1, the appointing authorities shall coordinate the*  
29 *appointments so that the members of the Board represent different*  
30 *strategically important industries, different geographic regions of*  
31 *this State and different professions.*

32 *3. The members of the Board shall elect a Chair of the Board.*

33 *4. Except as otherwise provided in this subsection, members*  
34 *of the Board are appointed for terms of 4 years. The initial*  
35 *members of the Board shall by lot select five members of the*  
36 *Board to serve an initial term of 2 years.*

37 *5. Vacancies in the appointed positions on the Board must be*  
38 *filled by the appointing authority for the unexpired term.*

39 *6. The Executive Director shall serve as the nonvoting*  
40 *Secretary of the Board.*

41 *7. A majority of the Board constitutes a quorum, and a*  
42 *majority of the Board is required to exercise any power conferred*  
43 *on the Board.*



1       8. *The Board shall meet at least once each quarter but may*  
2 *meet more often at the call of the Chair or a majority of the*  
3 *members of the Board.*

4       9. *The members of the Board serve without compensation but*  
5 *are entitled to receive the per diem allowance and travel expenses*  
6 *provided for state officers and employees generally while engaged*  
7 *in the official business of the Board.*

8       **Sec. 11. The Board shall:**

9       1. *Review and evaluate all programs of economic*  
10 *development in this State and make recommendations to the*  
11 *Legislature for legislation to improve the effectiveness of those*  
12 *programs in implementing the State Plan for Economic*  
13 *Development developed by the Executive Director pursuant to*  
14 *subsection 2 of section 14 of this act.*

15       2. *Recommend to the Executive Director a State Plan for*  
16 *Economic Development.*

17       3. *Recommend to the Executive Director the criteria for the*  
18 *designation of regional organizations for economic development.*

19       4. *Make recommendations to the Executive Director for the*  
20 *designation for the southern region of this State, the northern*  
21 *region of this State and the rural region of this State, one regional*  
22 *organization for economic development for each region which is*  
23 *eligible to receive grants from local governmental entities*  
24 *pursuant to subsection 1 of section 17 of this act and from the*  
25 *Commission on Economic Development pursuant to subsection 4*  
26 *of NRS 231.067. Upon the recommendation of the Executive*  
27 *Director, the Board may remove the designation of a regional*  
28 *organization for economic development and designate a different*  
29 *regional organization for that region.*

30       5. *Provide advice and recommendations to the Executive*  
31 *Director concerning:*

32       (a) *The procedures to be followed by local governmental*  
33 *entities seeking to obtain a grant from the Catalyst Fund created*  
34 *by section 16 of this act;*

35       (b) *The criteria to be used in making grants to local*  
36 *governmental entities pursuant to section 16 of this act; and*

37       (c) *The requirements for reports from local governmental*  
38 *entities concerning the use of grants of money from the Catalyst*  
39 *Fund.*

40       6. *Within the limits of legislative appropriations, determine*  
41 *the salaries and benefits of the Executive Director and the*  
42 *employees of the Office.*

43       **Sec. 12. 1. There is hereby created the Office of Economic**  
44 **Development, consisting of:**

45       (a) **A Division of Economic Development; and**



- 1       (b) *A Division of Motion Pictures.*
- 2       2. *The Governor shall propose a budget for the Office.*
- 3       3. *Employees of the Office are in the unclassified service of*
- 4 *this State.*

5       **Sec. 13. The Executive Director:**

- 6       1. *Must be appointed by the Governor from a list of three*
- 7 *persons recommended by the Board.*
- 8       2. *Is in the unclassified service of this State.*
- 9       3. *May be removed by the Board if the Board finds that his or*
- 10 *her performance is unsatisfactory.*
- 11       4. *Shall devote his or her entire time to the duties of his or*
- 12 *her office and shall not engage in any other gainful employment*
- 13 *or occupation.*

14       **Sec. 14. The Executive Director:**

- 15       1. *Shall direct and supervise the administrative and technical*
- 16 *activities of the Office.*

- 17       2. *Shall develop a State Plan for Economic Development,*
- 18 *which must include a statement of:*

19       (a) *New industries which have the potential to be developed in*

20 *this State;*

21       (b) *The strengths and weaknesses of this State for business*

22 *incubation;*

23       (c) *The competitive advantages and weaknesses of this State;*

24       (d) *The manner in which this State can leverage its competitive*

25 *advantages and address its competitive weaknesses;*

26       (e) *A strategy to encourage the creation and expansion of*

27 *businesses in this State and the relocation of businesses to this*

28 *State; and*

29       (f) *Potential partners for the implementation of the strategy,*

30 *including, without limitation, the Federal Government, local*

31 *governments, local and regional organizations for economic*

32 *development, chambers of commerce, private businesses and*

33 *investors.*

- 34       3. *Develop criteria for the designation of regional*
- 35 *organizations for economic development pursuant to subsection 4.*

36       4. *Designate for the southern region of this State, the*

37 *northern region of this State and the rural region of this State, one*

38 *regional organization for economic development for each region*

39 *which is eligible to receive grants from local governmental entities*

40 *pursuant to subsection 1 of section 17 of this act. The Executive*

41 *Director may remove the designation of a regional organization*

42 *for economic development and designate a different regional*

43 *organization for that region. A county, city, town or other political*

44 *subdivision shall not provide grants or any financial assistance to*

45 *a local or regional organization for economic development which*



\* A B 4 4 9 \*

1 *has been designated by the Executive Director pursuant to this*  
2 *subsection.*

3 *5. Within the limits of legislative appropriations, may appoint*  
4 *such professional, technical, clerical and operational employees as*  
5 *the execution of his or her duties and the operation of the Office*  
6 *may require.*

7 *6. In a manner consistent with the laws of this State, may*  
8 *reorganize the programs of economic development in this State to*  
9 *further the State Plan for Economic Development developed by*  
10 *the Executive Director pursuant to subsection 2. If, in the opinion*  
11 *of the Executive Director, changes to the laws of this State are*  
12 *necessary to implement the economic development strategy for this*  
13 *State, the Executive Director must recommend the changes to the*  
14 *Governor and the Legislature.*

15 **Sec. 15.** *Under the direction of the Executive Director, the*  
16 *Office shall:*

17 *1. Provide administrative and technical support to the Board.*

18 *2. Support the efforts of the Board, the regional*  
19 *organizations for economic development designated by the*  
20 *Executive Director pursuant to subsection 4 of section 14 of this*  
21 *act and the private sector to encourage the creation and expansion*  
22 *of businesses in Nevada and the relocation of businesses to*  
23 *Nevada.*

24 *3. Coordinate and oversee all economic development*  
25 *programs in this State to ensure that such programs are consistent*  
26 *with the State Plan for Economic Development developed by the*  
27 *Executive Director pursuant to subsection 2 of section 14 of this*  
28 *act, including, without limitation:*

29 *(a) Coordinating the economic development activities of*  
30 *agencies of this State, local governments in this State and local*  
31 *and regional organizations for economic development to avoid*  
32 *duplication of effort or conflicting efforts;*

33 *(b) Working with local, state and federal authorities to*  
34 *streamline the process for obtaining abatements, financial*  
35 *incentives, grants, loans and all necessary permits and licenses for*  
36 *the creation or expansion of business in Nevada or the relocation*  
37 *of businesses to Nevada; and*

38 *(c) Reviewing, analyzing and making recommendations for the*  
39 *approval or disapproval of applications for abatements, financial*  
40 *incentives and grants of money provided by the Commission on*  
41 *Economic Development pursuant to NRS 231.020 to 231.156,*  
42 *inclusive.*

43 **Sec. 16.** *1. The Catalyst Fund is hereby created as a special*  
44 *revenue fund in the State Treasury.*





2. *The Catalyst Fund is a continuing fund without reversion. The interest and income earned on money in the Catalyst Fund, after deducting any applicable charges, must be credited to the Catalyst Fund.*

3. *The Executive Director may apply for and accept any gift, grant, donation, bequest or other source of money. Any money so received must be deposited in the Catalyst Fund or the Knowledge Fund created pursuant to section 19 of this act.*

**Sec. 17.** 1. *The Executive Director shall administer the Catalyst Fund and, after considering the recommendations of the Board, may make grants of money from the Catalyst Fund to local governmental entities in this State that apply for a grant either singly or jointly with other local governments. A local governmental entity which receives a grant of money from the Catalyst Fund shall use the money to make grants of money to the regional organization for economic development designated for that local government by the Executive Director pursuant to subsection 4 of section 14 of this act. The grant must be used to provide grants or loans to, or to make investments in, businesses seeking to create or expand in this State or relocate to this State.*

2. *Upon receipt of an application for a grant from the Catalyst Fund pursuant to subsection 1, the Commission on Economic Development shall provide a copy of the application to the Executive Director. The Executive Director and the Board shall review the application and make a recommendation to the Commission on Economic Development concerning whether the approval of the application would promote the economic development of this State and the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of section 14 of this act.*

3. *After considering the advice and recommendations of the Board, the Executive Director shall:*

(a) *Establish the procedures to be followed by local governmental entities to obtain a grant from the Catalyst Fund and the criteria to be used in making grants to local governmental entities pursuant to this section.*

(b) *Enter into an agreement with local governmental entities receiving a grant from the Catalyst Fund which sets forth terms and conditions of the grant, which must include, without limitation, a provision requiring a local governmental entity to return the grant if the grant is not used in accordance with the agreement.*

(c) *Establish the requirements for reports from local governmental entities concerning the use of grants of money from the Catalyst Fund.*



4. On or before November 1, 2012, and on or before November 1 of every year thereafter, submit a report to the Governor and to the Director of the Legislative Counsel Bureau for transmittal to the Interim Finance Committee, if the report is received during an odd-numbered year, or to the next session of the Legislature, if the report is received during an even-numbered year. The report must include, without limitation:

- (1) The amount of grants awarded from the Catalyst Fund;
- (2) The amount of all grants, gifts and donations to the Catalyst Fund from public and private sources;
- (3) The number of businesses which have been created or expanded in this State, or which have relocated to this State, because of grants from the Catalyst Fund; and
- (4) The number of jobs which have been created because of grants from the Catalyst Fund.

5. The Executive Director shall ensure that each fiscal year each regional organization for economic development designated by the Executive Director pursuant to subsection 4 of section 14 of this act receives an equitable share of the grants, as practicable, from the Catalyst Fund during that fiscal year.

**Sec. 18.** As used in sections 18 to 22, inclusive, of this act, unless the context otherwise requires, "research universities" means the University of Nevada, Las Vegas, and the University of Nevada, Reno.

**Sec. 19. 1.** The Knowledge Fund is hereby created as a special revenue fund in the State Treasury.

2. The Knowledge Fund is a continuing fund without reversion. The interest and income earned on money in the Knowledge Fund, after deducting any applicable charges, must be credited to the Knowledge Fund.

3. The Executive Director may apply for and accept any gift, grant, donation, bequest or other source of money. Any money so received must be deposited in the Knowledge Fund or the Catalyst Fund.

4. Subject to any restrictions imposed by the grant, gift, donation or appropriation, the Executive Director may allocate money in the Knowledge Fund among the research universities, the Desert Research Institute, the technology outreach program established pursuant to section 21 of this act and the technology transfer officers of the research universities and the Desert Research Institute to support commercialization and technology transfer to the private sector.

5. On or before August 1 of each year, the research universities shall each transfer to the Knowledge Fund \$3,000,000 of the amount appropriated to the institution by the Legislature,



1 *and the Desert Research Institute shall transfer to the Knowledge*  
2 *Fund \$2,000,000 of the amount appropriated to the institution by*  
3 *the Legislature.*

4 **Sec. 20. 1. The Executive Director shall:**

5 (a) *Establish economic development objectives for the research*  
6 *and development and technology transfer programs of the*  
7 *research universities and the Desert Research Institute;*

8 (b) *In cooperation with the administration of the research*  
9 *universities and the Desert Research Institute, expand science and*  
10 *technology research at the research universities and the Desert*  
11 *Research Institute;*

12 (c) *Enhance technology transfer and commercialization of*  
13 *research and technologies developed at the research universities*  
14 *and the Desert Research Institute to create high-quality jobs and*  
15 *new industries in this State;*

16 (d) *Establish economic development objectives for the*  
17 *programs established pursuant to sections 18 to 22, inclusive, of*  
18 *this act;*

19 (e) *Verify that the programs established pursuant to sections*  
20 *18 to 22, inclusive, of this act are being enhanced by research*  
21 *grants and that such programs are meeting the Board's economic*  
22 *development objectives;*

23 (f) *Monitor all research plans that are part of the programs*  
24 *established pursuant to sections 18 to 22 inclusive, of this act at*  
25 *the research universities and the Desert Research Institute to*  
26 *determine that allocations from the Knowledge Fund are being*  
27 *spent in accordance with legislative intent and to maximize the*  
28 *benefit and return to this State;*

29 (g) *Develop methods and incentives to encourage investment*  
30 *in and contributions to the programs established pursuant to*  
31 *sections 18 to 22, inclusive, from the private sector; and*

32 (h) *On or before November 1, 2012, and on or before*  
33 *November 1 of every year thereafter, submit a report to the*  
34 *Governor and to the Director of the Legislative Counsel Bureau*  
35 *for transmittal to the Interim Finance Committee, if the report is*  
36 *received during an odd-numbered year, or to the next session of*  
37 *the Legislature, if the report is received during an even-numbered*  
38 *year. The report must include, without limitation:*

39 (1) *The number of research teams and faculty recruited*  
40 *and hired pursuant to section 22 of this act and the amount of*  
41 *funding provided to those research teams;*

42 (2) *A description of the research being conducted by the*  
43 *research teams and faculty for which the Executive Director has*  
44 *provided funding pursuant to section 22 of this act;*



(3) *The number of patents which have been filed as a result of the programs established pursuant to sections 18 to 22, inclusive, of this act;*

(4) *The amount of research grants awarded to the research teams and faculty recruited and hired pursuant to section 22 of this act;*

(5) *The amount of all grants, gifts and donations to the Knowledge Fund from public and private sources;*

(6) *The number of businesses which have been created or expanded in this State, or relocated to this State, because of the programs established pursuant to sections 18 to 22, inclusive, of this act; and*

(7) *The number of jobs which have been created as a result of the activities of the Office.*

2. *The Executive Director may enter into any agreements necessary to obtain private equity investment in the programs established pursuant to sections 18 to 22, inclusive, of this act.*

**Sec. 21.** 1. *The Executive Director shall use money in the Knowledge Fund to establish a technology outreach program at locations distributed strategically throughout this State.*

2. *The Executive Director shall ensure that the technology outreach program acts as a resource to:*

(a) *Broker ideas, new technologies and services to entrepreneurs and businesses throughout a defined service area;*

(b) *Engage local entrepreneurs and faculty and staff at state colleges, community colleges and the Desert Research Institute by connecting them to the research universities;*

(c) *Assist professors and researchers in finding entrepreneurs and investors for the commercialization of their ideas and technologies;*

(d) *Connect market ideas and technologies in new or existing businesses or industries or in state colleges, community colleges or the Desert Research Institute with the expertise of the research universities;*

(e) *Assist businesses, the research universities, state colleges, community colleges and the Desert Research Institute in developing commercial applications for their research; and*

(f) *Disseminate and share discoveries and technologies emanating from the research universities and the Desert Research Institute to local entrepreneurs, businesses, state colleges and community colleges.*

3. *In designing and operating the technology outreach program, the Board shall work cooperatively with the technology transfer offices at the research universities and the Desert Research Institute.*



1     **Sec. 22.** *Subject to any restrictions or directions established*  
2 *by the Legislature, the Executive Director shall allocate money in*  
3 *the Knowledge Fund to the research universities and the Desert*  
4 *Research Institute to provide funding for:*

5         1. *The recruitment and hiring of research teams and faculty*  
6 *to conduct research in science and technology which has the*  
7 *potential to contribute to economic development in this State;*

8         2. *Research laboratories and related equipment located or to*  
9 *be located in this State; and*

10        3. *The construction of research clinics, institutes and*  
11 *facilities and related buildings located or to be located in this*  
12 *State.*

13     **Sec. 23.** NRS 231.015 is hereby amended to read as follows:

14        231.015 1. The Interagency Committee for Coordinating  
15 Tourism and Economic Development is hereby created. The  
16 Committee consists of the Governor, who is its Chair, the  
17 Lieutenant Governor, who is its Vice Chair, the Director of  
18 the Commission on Tourism, the Executive Director of the  
19 ~~{Commission on}~~ *Office of* Economic Development and such other  
20 members as the Governor may from time to time appoint. The  
21 appointed members of the Committee serve at the pleasure of the  
22 Governor.

23        2. The Committee shall meet at the call of the Governor.

24        3. The Committee shall:

25        (a) Identify the strengths and weaknesses in state and local  
26 governmental agencies which enhance or diminish the possibilities  
27 of tourism and economic development in this State.

28        (b) Foster coordination and cooperation among state and local  
29 governmental agencies, and enlist the cooperation and assistance of  
30 federal agencies, in carrying out the policies and programs of the  
31 Commission on Tourism and the ~~{Commission on}~~ *Office of*  
32 Economic Development.

33        (c) Formulate cooperative agreements between the Commission  
34 on Tourism or the ~~{Commission on}~~ *Office of* Economic  
35 Development, and state and other public agencies pursuant to the  
36 Interlocal Cooperation Act, so that each of those commissions may  
37 receive applications from and, as appropriate, give governmental  
38 approval for necessary permits and licenses to persons who wish to  
39 promote tourism, develop industry or produce motion pictures in  
40 this State.

41        4. The Governor may from time to time establish regional or  
42 local subcommittees to work on regional or local problems of  
43 economic development or the promotion of tourism.



**Sec. 24.** NRS 231.060 is hereby amended to read as follows:

231.060 The ~~{Commission on Economic Development}~~  
*Office:*

1. Shall establish the policies and approve the programs ~~{and budgets}~~ of the ~~{Division of Economic Development and}~~ Division of Motion Pictures concerning [-

~~—(a) The promotion of industrial development and diversification in this State; and~~

~~—(b) The~~ *the* promotion of the production of motion pictures in this State.

2. May from time to time create special advisory committees to advise it on special problems of economic development. Members of special advisory committees ~~{, other than members of the Commission,}~~ may be paid the per diem allowance and travel expenses provided for state officers and employees, as the budget of the ~~{Commission}~~ *Office* permits.

**Sec. 25.** NRS 231.064 is hereby amended to read as follows:

231.064 In addition to its other duties, the ~~{Commission on Economic Development}~~ *Office* shall:

1. Investigate and study conditions affecting Nevada business, industry and commerce, and engage in technical studies, scientific investigations, statistical research and educational activities necessary or useful for the proper execution of the function of the Division of Economic Development in promoting and developing Nevada business, industry and commerce, both within and outside the State.

2. Conduct or encourage research designed to further new and more extensive uses of the natural and other resources of the State and designed to develop new products and industrial processes.

3. Serve as a center of public information for the State of Nevada by answering general inquiries concerning the resources and economic advantages of this state and by furnishing information and data on these and related subjects.

4. Prepare, and disseminate in any medium, informational material designed to promote community, economic and industrial development in Nevada.

5. Plan and develop an effective service for business information, both for the direct assistance of business and industry of the State and for the encouragement of business and industry outside the State to use economic facilities within the State, including readily accessible information on state and local taxes, local zoning regulations and environmental standards, the availability and cost of real estate, labor, energy, transportation and occupational education and related subjects.



\* A B 4 4 9 \*

**Sec. 26.** NRS 231.065 is hereby amended to read as follows:

231.065 1. The ~~{Commission on Economic Development}~~  
*Office* shall provide and administer grants of money to political  
subdivisions of the State and to ~~{local or}~~ regional organizations for  
economic development *designated by the Executive Director*  
*pursuant to subsection 4 of section 14 of this act* to assist projects  
of economic diversification in counties:

(a) Whose economies are subject to dramatic fluctuations  
because of their dependence on mining; and

(b) That do not qualify for funding from the Economic  
Development Administration of the United States Department of  
Commerce.

2. The ~~{Commission}~~ *Office* shall establish eligibility criteria  
for recipients and may require a recipient to provide matching funds.

3. A recipient of a grant may use the money only to assist  
projects of economic diversification, including, without limitation:

(a) Analysis of industrial property;

(b) Feasibility studies;

(c) Construction of industrial park infrastructure; and

(d) Purchase of publicly owned industrial property.

**Sec. 27.** NRS 231.067 is hereby amended to read as follows:

231.067 The ~~{Commission on Economic Development}~~ *Office*  
shall:

1. ~~{Develop a State Plan for Industrial Development and  
Diversification.~~

~~—2.—~~ Except as otherwise provided in this subsection, promote,  
encourage and aid the development of commercial, industrial,  
agricultural, mining and other vital economic interests of this State,  
except for travel and tourism ~~{ }~~, *to implement the State Plan for  
Economic Development developed by the Executive Director  
pursuant to subsection 2 of section 14 of this act.* In a county  
whose population is less than 50,000, the county may include  
community development and the development of the nongaming  
recreation and tourism industry in its economic development efforts.

~~{3.}~~ 2. Identify sources of financing to assist businesses and  
industries which wish to locate or expand in Nevada.

~~{4.}~~ 3. ~~{Provide and administer grants of money to political  
subdivisions of the State and to local or regional organizations for  
economic development to assist them in promoting the advantages  
of their communities, in expanding and retaining businesses in those  
communities and in recruiting businesses to those communities.  
Each recipient must provide an amount of money, at least equal to  
the grant, for the same purpose, except in a county whose population  
is less than 50,000, the Commission may, if convinced that the~~





~~recipient is financially unable to do so, provide such a grant with less than equal matching money provided by the recipient.~~

~~—5.]~~ Encourage and assist state, county and city agencies in planning and preparing projects for community, economic and industrial development and financing those projects with revenue bonds or community development block grants.

~~[6.]~~ 4. Except as otherwise provided in this subsection, coordinate and assist the activities of counties, cities ~~[, local]~~ and regional organizations for economic development ~~[in the State]~~ *designated by the Executive Director pursuant to subsection 4 of section 14 of this act* which affect economic ~~[and industrial]~~ development, except for travel and tourism. In a county whose population is less than 50,000, the county may include community development and the development of the nongaming recreation and tourism industry in its economic development efforts.

~~[7.]~~ 5. Arrange by cooperative agreements with local governments to serve as the single agency in the State where relocating or expanding businesses may obtain all required permits.

~~[8.]~~ 6. Promote close cooperation between public agencies and private persons who have an interest in industrial development and diversification in Nevada.

~~[9.]~~ 7. Organize and coordinate the activities of a group of volunteers which will aggressively select and recruit businesses and industries, especially small industries, to locate their offices and facilities in Nevada.

~~[10.]~~ 8. As used in this section, "community development block grant" means a grant administered or made available by the United States Department of Housing and Urban Development pursuant to 24 C.F.R. Part 570.

**Sec. 28.** NRS 231.068 is hereby amended to read as follows:

231.068 1. The ~~[Commission on Economic Development,]~~ *Office*, to the extent of legislative appropriations, may grant money to a postsecondary educational institution to develop a program for occupational education which is designed to teach skills in a short period to persons who are needed for employment by new or existing businesses.

2. Any money appropriated to the ~~[Commission on Economic Development]~~ *Office* for awarding grants to develop a program specified in subsection 1 must be accounted for separately in the State General Fund. The money in the account:

(a) Does not revert to the State General Fund at the end of any fiscal year; and

(b) Must be carried forward to the next fiscal year.



\* A B 4 4 9 \*



1     **Sec. 29.** NRS 231.0685 is hereby amended to read as follows:  
2     231.0685 The ~~{Commission-on-Economic-Development}~~  
3     **Office** shall, on or before January 15 of each odd-numbered year,  
4     prepare and submit to the Director of the Legislative Counsel  
5     Bureau for transmission to the Legislature a report concerning the  
6     abatements from taxation that the ~~{Commission}~~ **Office** approved  
7     pursuant to NRS 274.310, 274.320, 274.330 or 360.750. The report  
8     must set forth, for each abatement from taxation that the  
9     ~~{Commission}~~ **Office** approved in the 2-year period immediately  
10    preceding the submission of the report:

- 11       1. The dollar amount of the abatement;
- 12       2. The location of the business for which the abatement was  
13       approved;
- 14       3. If applicable, the number of employees that the business for  
15       which the abatement was approved employs or will employ;
- 16       4. Whether the business for which the abatement was approved  
17       is a new business or an existing business; and
- 18       5. Any other information that the ~~{Commission}~~ **Office**  
19       determines to be useful.

20    **Sec. 30.** NRS 231.069 is hereby amended to read as follows:  
21    231.069 1. Except as otherwise provided in NRS 239.0115, if  
22    so requested by a client, the ~~{Commission-on-Economic}~~  
23    ~~Development}~~ **Office** shall keep confidential any record or other  
24    document in its possession concerning the initial contact with and  
25    research and planning for that client. If such a request is made, the  
26    Executive Director shall attach to the file containing the record or  
27    document a certificate signed by him or her stating that a request for  
28    confidentiality was made by the client and the date of the request.

29    2. Records and documents that are confidential pursuant to  
30    subsection 1 remain confidential until the client:

31       (a) Initiates any process regarding the location of his or her  
32       business in Nevada which is within the jurisdiction of a state agency  
33       other than the ~~{Commission;}~~ **Office;** or

34       (b) Decides to locate his or her business in Nevada.

35    **Sec. 31.** NRS 231.125 is hereby amended to read as follows:

36    231.125 1. The ~~{Commission-on-Economic-Development}~~  
37    **Office** may charge such fees for:

38       (a) Materials prepared for distribution by the ~~{Commission;}~~  
39       **Office;**

40       (b) Advertising in materials prepared by the ~~{Commission;}~~  
41       **Office;** and

42       (c) Services performed by the ~~{Commission}~~ **Office** on behalf of  
43       others, such as the procurement of permits,

44       ↪ as it deems necessary to support the activities of the  
45       ~~{Commission-}~~ **Office.**



2. All such fees must be deposited with the State Treasurer for credit to the ~~{Commission}~~ Office and may be expended in addition to other money appropriated for the support of the ~~{Commission}~~ Office.

**Sec. 32.** NRS 231.139 is hereby amended to read as follows:

231.139 1. The ~~{Commission on Economic Development}~~ Office shall certify a business for the benefits provided pursuant to NRS 704.223 if the ~~{Commission}~~ Office finds that:

(a) The business is consistent with the State Plan for ~~{Industrial}~~ Economic Development and ~~{Diversification and any guidelines adopted pursuant to the Plan;}~~ developed by the Executive Director pursuant to subsection 2 of section 14 of this act;

(b) The business is engaged in the primary trade of preparing, fabricating, manufacturing or otherwise processing raw material or an intermediate product through a process in which at least 50 percent of the material or product is recycled on-site;

(c) Establishing the business will require the business to make a capital investment of \$50,000,000 in Nevada; and

(d) The economic benefit to the State of approving the certification exceeds the cost to the State.

2. The ~~{Commission on Economic Development}~~ Office may:

(a) Request an allocation from the Contingency Fund pursuant to NRS 353.266, 353.268 and 353.269 to cover the costs incurred by the ~~{Commission}~~ Office pursuant to this section and NRS 704.032.

(b) Impose a reasonable fee for an application for certification pursuant to this section to cover the costs incurred by the ~~{Commission}~~ Office in investigating and ruling on the application.

(c) Adopt such regulations as it deems necessary to carry out the provisions of this section.

**Sec. 33.** NRS 231.147 is hereby amended to read as follows:

231.147 1. A person who operates a business or will operate a business in this State may apply to the ~~{Commission}~~ Office for approval of a program. The application must be submitted on a form prescribed by the ~~{Commission}~~ Office.

2. Each application must include:

(a) The name, address and telephone number of the business;

(b) The number and types of jobs for the business that are available or will be available upon completion of the program;

(c) A statement of the objectives of the proposed program;

(d) The estimated cost for each person enrolled in the program; and

(e) A statement signed by the applicant certifying that, if the program set forth in the application is approved and money is granted by the ~~{Commission}~~ Office to a community college for the program, each employee who completes the program:



(1) Will be employed in a full-time and permanent position in the business; and

(2) While employed in that position, will be paid not less than 80 percent of the lesser of the average industrial hourly wage in:

(I) This State; or

(II) The county in which the business is located,

➔ as determined by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.

3. Upon request, the ~~{Commission}~~ Office may assist an applicant in completing an application pursuant to the provisions of this section.

4. Except as otherwise provided in subsection 5, the ~~{Commission}~~ Office shall approve or deny each application ~~at the next regularly scheduled meeting of the Commission.~~ *within 45 days of receipt of the application.* When considering an application, the ~~{Commission}~~ Office shall give priority to a business that:

(a) Provides high-skill and high-wage jobs to residents of this State; and

(b) To the greatest extent practicable, uses materials for the business that are produced or bought in this State.

5. Before approving an application, the ~~{Commission}~~ Office shall establish the amount of matching money that the applicant must provide for the program. The amount established by the ~~{Commission}~~ Office for that applicant must not be less than 25 percent of the amount the ~~{Commission}~~ Office approves for the program.

6. If the ~~{Commission}~~ Office approves an application, it shall notify the applicant, in writing, within 10 days after the application is approved.

7. If the ~~{Commission}~~ Office denies an application, it shall, within 10 days after the application is denied, notify the applicant in writing. The notice must include the reason for denying the application.

**Sec. 34.** NRS 231.149 is hereby amended to read as follows:

231.149 1. The ~~{Commission}~~ Office may apply for or accept any gifts, grants, donations or contributions from any source to carry out the provisions of NRS 231.141 to 231.152, inclusive.

2. Any money the ~~{Commission}~~ Office receives pursuant to subsection 1 must be deposited in the State Treasury pursuant to NRS 231.151.



**Sec. 35.** NRS 231.151 is hereby amended to read as follows:

231.151 1. Any money the ~~{Commission}~~ Office receives pursuant to NRS 231.149 or that is appropriated to carry out the provisions of NRS 231.141 to 231.152, inclusive:

(a) Must be deposited in the State Treasury and accounted for separately in the State General Fund; and

(b) May only be used to carry out those provisions.

2. Except as otherwise provided in subsection 3, the balance remaining in the account that has not been committed for expenditure on or before June 30 of a fiscal year reverts to the State General Fund.

3. In calculating the uncommitted remaining balance in the account at the end of a fiscal year, any money in the account that is attributable to a gift, grant, donation or contribution:

(a) To the extent not inconsistent with a term of the gift, grant, donation or contribution, shall be deemed to have been committed for expenditure before any money that is attributable to a legislative appropriation; and

(b) Must be excluded from the calculation of the uncommitted remaining balance in the account at the end of the fiscal year if necessary to comply with a term of the gift, grant, donation or contribution.

4. The ~~{Commission}~~ Office shall administer the account. Any interest or income earned on the money in the account must be credited to the account. Any claims against the account must be paid as other claims against the State are paid.

**Sec. 36.** NRS 231.152 is hereby amended to read as follows:

231.152 The ~~{Commission}~~ Office may adopt such regulations as are necessary to carry out the provisions of NRS 231.147.

**Sec. 37.** NRS 231.153 is hereby amended to read as follows:

231.153 1. The Nevada Economic Development Fund is hereby created in the State Treasury as a special revenue fund.

2. Except as otherwise provided in subsection 4, the Nevada Economic Development Fund is a continuing fund without reversion. The money in the Fund must be invested as the money in other state funds is invested. The interest and income earned on the money in the Fund, after deducting any applicable charges, must be credited to the Fund. Claims against the Fund must be paid as other claims against the State are paid.

3. The ~~{Commission on Economic Development}~~ Office may accept gifts, grants and donations from any source for deposit in the Nevada Economic Development Fund.

4. The State Board of Examiners may, upon making a determination that any portion of any amount appropriated by the Legislature for deposit in the Fund is necessary to meet existing or



1 future obligations of the State, recommend to the Interim Finance  
2 Committee that the amount so needed be transferred from the Fund  
3 to the State General Fund. Upon approval of the Interim Finance  
4 Committee, the money may be so transferred.

5 **Sec. 38.** NRS 231.154 is hereby amended to read as follows:

6 231.154 1. Except as otherwise provided in subsections 2 and  
7 3, the ~~{Commission on Economic Development}~~ *Office* shall  
8 administer the Nevada Economic Development Fund and may make  
9 grants of money to a public agency or nonprofit private entity for  
10 the purpose of economic development in a rural area or blighted  
11 urban area.

12 2. If a nonprofit private entity applies for a grant for the  
13 purpose of economic development in a rural area or blighted urban  
14 area, the ~~{Commission on Economic Development}~~ *Office* shall  
15 consult with the board of county commissioners for the county in  
16 which the rural area or blighted urban area is located before making  
17 a grant to the nonprofit private entity.

18 3. The ~~{Commission on Economic Development}~~ *Office* shall  
19 not make a grant from the Nevada Economic Development Fund for  
20 the purpose of any economic development relating to the location of  
21 a federal nuclear waste repository at Yucca Mountain.

22 4. As used in this section:

23 (a) "Blighted urban area" means an area in a county whose  
24 population is 100,000 or more which is characterized by one or  
25 more of the following factors:

26 (1) The existence of buildings and structures, used or  
27 intended to be used for residential, commercial, industrial or other  
28 purposes, or any combination thereof, which are unfit or unsafe for  
29 those purposes and are conducive to ill health, transmission of  
30 disease, infant mortality, juvenile delinquency or crime because of  
31 one or more of the following factors:

32 (I) Defective design and character of physical  
33 construction.

34 (II) Faulty arrangement of the interior and spacing of  
35 buildings.

36 (III) Overcrowding.

37 (IV) Inadequate provision for ventilation, light, sanitation,  
38 open spaces and recreational facilities.

39 (V) Age, obsolescence, deterioration, dilapidation, mixed  
40 character or shifting of uses.

41 (2) An economic dislocation, deterioration or disuse,  
42 resulting from faulty planning.

43 (3) The subdividing and sale of lots of irregular form and  
44 shape and inadequate size for proper usefulness and development.



(4) The laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions.

(5) The existence of inadequate streets, open spaces and utilities.

(6) The existence of lots or other areas which may be submerged.

(7) Prevalence of depreciated values, impaired investments and social and economic maladjustment to such an extent that the capacity to pay taxes is reduced and tax receipts are inadequate for the cost of public services rendered.

(8) A growing or total lack of proper utilization of some parts of the area, resulting in a stagnant and unproductive condition of land which is potentially useful and valuable for contributing to the public health, safety and welfare.

(9) A loss of population and a reduction of proper use of some parts of the area, resulting in its further deterioration and added costs to the taxpayer for the creation of new public facilities and services elsewhere.

(b) "Public agency" means:

(1) This State or any agency of this State; or

(2) Any local government of this State.

(c) "Rural area" means an area in a county whose population is less than 100,000.

**Sec. 39.** NRS 231.155 is hereby amended to read as follows:

231.155 The ~~{Commission on Economic Development}~~ *Office* shall adopt regulations establishing criteria and standards for the eligibility for and use of any grants made pursuant to NRS 231.154.

**Sec. 40.** NRS 231.156 is hereby amended to read as follows:

231.156 The ~~{Commission on Economic Development}~~ *Office* shall submit, on or before February 28 of each odd-numbered year, a report to the Director of the Legislative Counsel Bureau for distribution to the regular session of the Legislature. The report must include, without limitation:

1. The type and amount of each grant of money made pursuant to NRS 231.154 during the previous biennium; and

2. The progress of each project for economic development that received a grant of money from the Nevada Economic Development Fund.

**Sec. 41.** NRS 231.350 is hereby amended to read as follows:

231.350 1. The Committee for the Development of Projects Relating to Tourism is hereby created within the Commission on Tourism. The Committee consists of:

(a) The Lieutenant Governor, who is an ex officio member of the Committee and shall serve as the Chair of the Committee;



(b) Three members of the ~~{Commission on Economic Development}~~ **Board**, appointed by the Lieutenant Governor; and

(c) Three members of the Commission on Tourism, appointed by the Lieutenant Governor.

2. If an appointed member of the Committee ceases to be a member of the ~~{Commission on Economic Development}~~ **Board** or the Commission on Tourism, the appointed member becomes ineligible for membership on the Committee and the Lieutenant Governor shall appoint a replacement from the ~~{Commission on Economic Development}~~ **Board** or the Commission on Tourism, respectively.

3. The Lieutenant Governor may remove an appointed member from the Committee if the member neglects his or her duty or commits malfeasance in office.

4. The appointed members of the Committee who are members of the ~~{Commission on Economic Development}~~ **Board** or the Commission on Tourism, respectively, may be paid the per diem allowance and travel expenses provided for state officers and employees generally by their respective commissions, as the budgets of those commissions allow.

5. The Committee shall meet at the call of the Lieutenant Governor.

6. The Commission on Tourism and the ~~{Commission on Economic Development}~~ **Office** shall jointly provide administrative support for the Committee.

**Sec. 42.** NRS 231.360 is hereby amended to read as follows:

231.360 1. The Committee may provide grants of money to counties, cities, and local and regional organizations in this State for the development of projects relating to tourism to the extent that:

(a) Money in the Fund for the Promotion of Tourism created by NRS 231.250 is made available for that purpose. Not more than \$200,000 of revenue from taxes on the gross receipts from the rental of transient lodging may be made available for that purpose in any biennium.

(b) Gifts, grants or other money is made available for that purpose.

2. Except as otherwise provided in this subsection, the State Controller shall, upon the request of the Committee, transfer to the State General Fund all money made available for the use of the Committee pursuant to subsection 1. All such money must be accounted for separately in the State General Fund. The State Controller shall not transfer any revenue from taxes on the gross receipts from the rental of transient lodging from the Fund for the Promotion of Tourism to the State General Fund unless the transfer is approved by the Interim Finance Committee.





3. The Committee shall administer the account created pursuant to subsection 2 and may make grants only from that account. Any interest earned on the money in the account must be credited to the account quarterly. The money in the account does not revert to the State General Fund at the end of any fiscal year and must be carried forward to the next fiscal year.

4. The Committee shall:

(a) Develop and administer the Grant Program for the Development of Projects Relating to Tourism;

(b) Establish guidelines for the submission and review of applications to receive money from the Grant Program;

(c) Establish the criteria for eligibility to receive money from the Grant Program; and

(d) Consider and approve or disapprove applications for money from the Grant Program.

5. Except as otherwise provided in subsection 6, as a condition of eligibility for a grant from the Committee pursuant to this section, an applicant must provide an amount of money, at least equal to the amount of the grant, for the same purpose.

6. If an applicant for a grant is from a county whose population is less than 100,000 and the Committee determines that the applicant is financially unable to provide the matching money otherwise required by subsection 5, the Committee may provide a grant with less than equal matching money provided by the applicant.

**Sec. 43.** NRS 232.522 is hereby amended to read as follows:

232.522 The Director may:

1. Create within the Department, as part of the Office of the Director, an Office of Business Finance and Planning to:

(a) Administer and coordinate programs related to financing for the assistance of entities engaged in business and industry in this state;

(b) Provide information to the public concerning the regulatory programs, assistance programs, and other services and activities of the Department; and

(c) Interact with other public or private entities to coordinate and improve access to the Department's programs related to the growth and retention of business and industry in this state.

2. Create within the Department, as part of the Office of Business Finance and Planning, a Center for Business Advocacy and Services:

(a) To assist small businesses in obtaining information about financing and other basic resources which are necessary for success;

(b) In cooperation with the Executive Director of the ~~Commission on~~ *Office of* Economic Development, to increase public awareness of the importance of developing manufacturing as





1 an industry and to assist in identifying and encouraging public  
2 support of businesses and industries that manufacture goods in this  
3 state;

4 (c) To serve as an advocate for small businesses, subject to the  
5 supervision of the Director or the Director's representative, both  
6 within and outside the Department;

7 (d) To assist the Office of Business Finance and Planning in  
8 establishing an information and referral service within the  
9 Department that is responsive to the inquiries of business and  
10 industry which are directed to the Department or any entity within  
11 the Department; and

12 (e) In cooperation with the Executive Director of the  
13 ~~[Commission on]~~ *Office of* Economic Development, to advise the  
14 Director and the Office of Business Finance and Planning in  
15 developing and improving programs of the Department to serve  
16 more effectively and support the growth, development and  
17 diversification of business and industry in this state.

18 3. Require divisions, offices, commissions, boards, agencies or  
19 other entities of the Department to work together to carry out their  
20 statutory duties, to resolve or address particular issues or projects or  
21 otherwise to increase the efficiency of the operation of the  
22 Department as a whole and the level of communication and  
23 cooperation among the various entities within the Department.

24 **Sec. 44.** NRS 232.935 is hereby amended to read as follows:

25 232.935 1. In appointing members of the Governor's  
26 Workforce Investment Board, the Governor shall ensure that the  
27 membership as a whole represents:

28 (a) Industry sectors which are essential to this State and which  
29 are driven primarily by demand;

30 (b) Communities and areas of economic development which are  
31 essential to this State; and

32 (c) The diversity of the workforce of this State, including,  
33 without limitation, geographic diversity and the diversity within  
34 regions of this State.

35 2. The Governor's Workforce Investment Board shall:

36 (a) Identify:

37 (1) Industry sectors which are essential to this State; and

38 (2) The region or regions of this State where the majority of  
39 the operations of each of those industry sectors is conducted.

40 (b) Establish:

41 (1) Regional goals for economic development for each of the  
42 industry sectors identified pursuant to paragraph (a); and

43 (2) A council for each industry sector.

44 (c) Consider and develop programs to promote:



(1) Strategies to improve labor markets for industries and regions of this State, including, without limitation, improving the availability of relevant information;

(2) Coordination of the efforts of relevant public and private agencies and organizations;

(3) Strategies for providing funding as needed by various industry sectors;

(4) Increased production capacities for various industry sectors;

(5) The development of useful measurements of performance and outcomes in various industry sectors;

(6) Participation by and assistance from state and local government agencies;

(7) Expanded market penetration, including, without limitation, by providing assistance to employers with small numbers of employees;

(8) Partnerships between labor and management;

(9) Business associations;

(10) The development of improved instructional and educational resources for employers and employees; and

(11) The development of improved economies of scale, as applicable, in industry sectors.

3. Each industry sector council established pursuant to subparagraph (2) of paragraph (b) of subsection 2:

(a) Must be composed of representatives from:

(1) Employers within that industry;

(2) Organized labor within that industry;

(3) Universities and community colleges; and

(4) Any other relevant group of persons deemed to be appropriate by the Board.

(b) Shall, within the parameters set forth in the American Recovery and Reinvestment Act of 2009 or the parameters of any other program for which the federal funding is available, identify job training and education programs which the industry sector council determines to have the greatest likelihood of meeting the regional goals for economic development established for that industry sector pursuant to subparagraph (1) of paragraph (b) of subsection 2.

4. The Board shall:

(a) Identify and apply for federal funding available for the job training and education programs identified pursuant to paragraph (b) of subsection 3;

(b) Consider and approve or disapprove applications for money;

(c) Provide and administer grants of money to industry sector councils for the purpose of establishing job training and education



1 programs in industry sectors for which regional goals for economic  
2 development have been established pursuant to subparagraph (1) of  
3 paragraph (b) of subsection 2; and

4 (d) Adopt regulations establishing:

5 (1) Guidelines for the submission and review of applications  
6 to receive grants of money from the Department; and

7 (2) Criteria and standards for the eligibility for and use of  
8 any grants made pursuant to paragraph (c).

9 5. *In carrying out its powers and duties pursuant to this*  
10 *section, the Board shall consult with the Executive Director of the*  
11 *Office of Economic Development and shall cooperate with the*  
12 *Executive Director in implementing the State Plan for Economic*  
13 *Development developed by the Executive Director pursuant to*  
14 *subsection 2 of section 14 of this act.*

15 6. As used in this section, "industry sector" means a group of  
16 employers closely linked by common products or services,  
17 workforce needs, similar technologies, supply chains or other  
18 economic links.

19 **Sec. 45.** NRS 75.100 is hereby amended to read as follows:

20 75.100 1. The Secretary of State shall provide for the  
21 establishment of a state business portal to facilitate interaction  
22 among businesses and governmental agencies in this State by  
23 allowing businesses to conduct necessary transactions with  
24 governmental agencies in this State through use of the state business  
25 portal.

26 2. The Secretary of State shall:

27 (a) Establish, through cooperative efforts, the standards and  
28 requirements necessary to design, build and implement the state  
29 business portal;

30 (b) Establish the standards and requirements necessary for a  
31 state or local agency to participate in the state business portal;

32 (c) Authorize a state or local agency to participate in the state  
33 business portal if the Secretary of State determines that the agency  
34 meets the standards and requirements necessary for such  
35 participation;

36 (d) Determine the appropriate requirements to be used by  
37 businesses and governmental agencies conducting transactions  
38 through use of the state business portal; ~~and~~

39 (e) *In carrying out the provisions of this section, consult with*  
40 *the Executive Director of the Office of Economic Development to*  
41 *ensure that the activities of the Secretary of State are consistent*  
42 *with the State Plan for Economic Development developed by the*  
43 *Executive Director pursuant to subsection 2 of section 14 of this*  
44 *act; and*



(f) Adopt such regulations and take any appropriate action as necessary to carry out the provisions of this chapter.

**Sec. 46.** NRS 120A.620 is hereby amended to read as follows:

120A.620 1. There is hereby created in the State General Fund the Abandoned Property Trust Account.

2. All money received by the Administrator under this chapter, including the proceeds from the sale of abandoned property, must be deposited by the Administrator in the State General Fund for credit to the Account.

3. Before making a deposit, the Administrator shall record the name and last known address of each person appearing from the holders' reports to be entitled to the abandoned property and the name and last known address of each insured person or annuitant, and with respect to each policy or contract listed in the report of an insurance company, its number, the name of the company and the amount due. The record must be available for public inspection at all reasonable business hours.

4. The Administrator may pay from money available in the Account:

(a) Any costs in connection with the sale of abandoned property.

(b) Any costs of mailing and publication in connection with any abandoned property.

(c) Reasonable service charges.

(d) Any costs incurred in examining the records of a holder and in collecting the abandoned property.

(e) Any valid claims filed pursuant to this chapter.

5. Except as otherwise provided in NRS 120A.610, by the end of each fiscal year, the balance in the Account must be transferred as follows:

(a) *The sum of \$10,000,000 to the Catalyst Fund created by section 16 of this act.*

(b) *The sum of \$7,600,000* ~~each year must be transferred~~ *to the Millennium Scholarship Trust Fund created by NRS 396.926.*

~~(b)~~ (c) The remainder must be transferred to the State General Fund, but remains subject to the valid claims of holders pursuant to NRS 120A.590 and owners pursuant to NRS 120A.640. No such claim may be satisfied from money in the *Catalyst Fund or the Millennium Scholarship Trust Fund.*

6. If there is an insufficient amount of money in the Account to pay any cost or charge pursuant to subsection 4, the State Board of Examiners may, upon the application of the Administrator, authorize a temporary transfer from the State General Fund to the Account of an amount necessary to pay those costs or charges. The Administrator shall repay the amount of the transfer as soon as sufficient money is available in the Account.



**Sec. 47.** NRS 218D.355 is hereby amended to read as follows:

218D.355 1. Any state legislation enacted on or after July 1, 2009, which authorizes or requires the ~~[Commission on Economic Development]~~ **Office** to approve any abatement of taxes or increases the amount of any abatement of taxes which the ~~[Commission]~~ **Office** is authorized or required to approve:

(a) Expires by limitation 10 years after the effective date of that legislation.

(b) Does not apply to:

(1) Any taxes imposed pursuant to NRS 374.110 or 374.190; or

(2) Any entity that receives:

(I) Any funding from a governmental entity, other than any private activity bonds as defined in 26 U.S.C. § 141; or

(II) Any real or personal property from a governmental entity at no cost or at a reduced cost.

(c) Requires each recipient of the abatement to submit to the Department of Taxation, on or before the last day of each even-numbered year, a report on whether the recipient is in compliance with the terms of the abatement. The Department of Taxation shall establish a form for the report and may adopt such regulations as it determines to be appropriate to carry out this paragraph. The report must include, without limitation:

(1) The date the recipient commenced operation in this State;

(2) The number of employees actually employed by the recipient and the average hourly wage of those employees;

(3) An accounting of any fees paid by the recipient to the State and to local governmental entities;

(4) An accounting of the property taxes paid by the recipient and the amount of those taxes that would have been due if not for the abatement;

(5) An accounting of the sales and use taxes paid by the recipient and the amount of those taxes that would have been due if not for the abatement;

(6) An accounting of the total capital investment made in connection with the project to which the abatement applies; and

(7) An accounting of the total investment in personal property made in connection with the project to which the abatement applies.

2. On or before January 15 of each odd-numbered year, the Department of Taxation shall:

(a) Based upon the information submitted to the Department of Taxation pursuant to paragraph (c) of subsection 1, prepare a written report of its findings regarding whether the costs of the abatement exceed the benefits of the abatement; and



\* A B 4 4 9 \*

(b) Submit the report to the Director of the Legislative Counsel Bureau for transmittal to the Legislature.

**Sec. 48.** NRS 274.090 is hereby amended to read as follows:

274.090 1. The ~~{Governor shall appoint a qualified person in the Commission on}~~ *Executive Director of the Office of* Economic Development ~~{to}~~ *shall* serve as Administrator.

2. The Administrator shall:

(a) Administer this chapter.

(b) Submit reports evaluating the effectiveness of the programs established pursuant to this chapter together with any suggestions for legislation to the Legislature by February 1 of every odd-numbered year. The reports must contain statistics concerning initial and current population, employment, per capita income, corporate income and the construction of housing for each specially benefited zone.

(c) Adopt all necessary regulations to carry out the provisions of this chapter.

**Sec. 49.** NRS 274.310 is hereby amended to read as follows:

274.310 1. A person who intends to locate a business in this State within:

(a) A historically underutilized business zone, as defined in 15 U.S.C. § 632;

(b) A redevelopment area created pursuant to NRS 279.382 to 279.685, inclusive;

(c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or

(d) An enterprise community established pursuant to 24 C.F.R. Part 597,

➔ may submit a request to the governing body of the county, city or town in which the business would operate for an endorsement of an application by the person to the ~~{Commission on}~~ *Office of* Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 or 374 of NRS. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business would operate. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.



3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the ~~{Commission on}~~ *Office of Economic Development*. The ~~{Commission}~~ *Office* shall approve the application if the ~~{Commission}~~ *Office* makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for ~~Industrial Development and Diversification that is developed by the Commission pursuant to NRS 231.067;~~ *Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of section 14 of this act;* and

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

(b) The applicant has executed an agreement with the Commission which states that the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 4:

(1) Commence operation and continue in operation in the historically underutilized business zone, as defined in 15 U.S.C. § 632, redevelopment area created pursuant to NRS 279.382 to 279.685, inclusive, area eligible for a community development block grant pursuant to 24 C.F.R. Part 570 or enterprise community established pursuant to 24 C.F.R. Part 597 for a period specified by the Commission, which must be at least 5 years; and

(2) Continue to meet the eligibility requirements set forth in this subsection.

➔ The agreement must bind 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 will operate.

(d) The applicant invested or commits to invest a minimum of \$500,000 in capital.

4. If the ~~{Commission on}~~ *Office of Economic Development* approves an application for a partial abatement, the ~~{Commission}~~ *Office* shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department of Taxation;

(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 of the county in which the business will be located.



\* A B 4 4 9 \*

1        5. The ~~{Commission-on}~~ *Office of* Economic Development  
2 may adopt such regulations as the ~~{Commission}~~ *Office* determines  
3 to be necessary or advisable to carry out the provisions of this  
4 section.

5        6. An applicant for an abatement who is aggrieved by a final  
6 decision of the ~~{Commission-on}~~ *Office of* Economic Development  
7 may petition for judicial review in the manner provided in chapter  
8 233B of NRS.

9        **Sec. 50.** NRS 274.320 is hereby amended to read as follows:

10        274.320 1. A person who intends to expand a business in this  
11 State within:

12        (a) A historically underutilized business zone, as defined in 15  
13 U.S.C. § 632;

14        (b) A redevelopment area created pursuant to NRS 279.382 to  
15 279.685, inclusive;

16        (c) An area eligible for a community development block grant  
17 pursuant to 24 C.F.R. Part 570; or

18        (d) An enterprise community established pursuant to 24 C.F.R.  
19 Part 597,

20        ➤ may submit a request to the governing body of the county, city or  
21 town in which the business operates for an endorsement of an  
22 application by the person to the ~~{Commission-on}~~ *Office of*  
23 Economic Development for a partial abatement of the taxes imposed  
24 on capital equipment pursuant to chapter 374 of NRS. The  
25 governing body of the county, city or town shall provide notice of  
26 the request to the board of trustees of the school district in which the  
27 business operates. The notice must set forth the date, time and  
28 location of the hearing at which the governing body will consider  
29 whether to endorse the application.

30        2. The governing body of a county, city or town shall develop  
31 procedures for:

32        (a) Evaluating whether such an abatement would be beneficial  
33 for the economic development of the county, city or town.

34        (b) Issuing a certificate of endorsement for an application for  
35 such an abatement that is found to be beneficial for the economic  
36 development of the county, city or town.

37        3. A person whose application has been endorsed by the  
38 governing body of the county, city or town, as applicable, pursuant  
39 to this section may submit the application to the ~~{Commission-on}~~  
40 *Office of* Economic Development. The ~~{Commission}~~ *Office* shall  
41 approve the application if the ~~{Commission}~~ *Office* makes the  
42 following determinations:

43        (a) The business is consistent with:

44        (1) The State Plan for ~~{Industrial-Development-and}~~  
45 ~~Diversification-that-is-developed-by-the-Commission-pursuant-to~~



\* A B 4 4 9 \*



1 ~~NRS 231.067;~~ *Economic Development developed by the Executive*  
2 *Director of Economic Development pursuant to subsection 2 of*  
3 *section 14 of this act;* and

4 (2) Any guidelines adopted ~~[pursuant to the State Plan.]~~ *by*  
5 *the Executive Director of the Office of Economic Development to*  
6 *implement the State Plan for Economic Development.*

7 (b) The applicant has executed an agreement with the  
8 ~~[Commission]~~ *Office* which states that the business will, after the  
9 date on which a certificate of eligibility for the abatement is issued  
10 pursuant to subsection 4:

11 (1) Continue in operation in the historically underutilized  
12 business zone, as defined in 15 U.S.C. § 632, redevelopment area  
13 created pursuant to NRS 279.382 to 279.685, inclusive, area eligible  
14 for a community development block grant pursuant to 24 C.F.R.  
15 Part 570 or enterprise community established pursuant to 24 C.F.R.  
16 Part 597 for a period specified by the Commission, which must be at  
17 least 5 years; and

18 (2) Continue to meet the eligibility requirements set forth in  
19 this subsection.

20 ➤ The agreement must bind successors in interest of the business  
21 for the specified period.

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

26 (d) The applicant invested or commits to invest a minimum of  
27 \$250,000 in capital equipment.

28 4. If the ~~[Commission-on]~~ *Office of* Economic Development  
29 approves an application for a partial abatement, the ~~[Commission]~~  
30 *Office* shall immediately forward a certificate of eligibility for the  
31 abatement to:

32 (a) The Department of Taxation; and

33 (b) The Nevada Tax Commission.

34 5. The ~~[Commission-on]~~ *Office of* Economic Development  
35 may adopt such regulations as the ~~[Commission]~~ *Office* determines  
36 to be necessary or advisable to carry out the provisions of this  
37 section.

38 6. An applicant for an abatement who is aggrieved by a final  
39 decision of the ~~[Commission-on]~~ *Office of* Economic Development  
40 may petition for judicial review in the manner provided in chapter  
41 233B of NRS.

42 **Sec. 51.** NRS 274.330 is hereby amended to read as follows:

43 274.330 1. A person who owns a business which is located  
44 within an enterprise community established pursuant to 24 C.F.R.  
45 Part 597 in this State may submit a request to the governing body of



1 the county, city or town in which the business is located for an  
2 endorsement of an application by the person to the ~~{Commission on}~~  
3 *Office of* Economic Development for a partial abatement of one or  
4 more of the taxes imposed pursuant to chapter 361 or 374 of NRS.  
5 The governing body of the county, city or town shall provide notice  
6 of the request to the board of trustees of the school district in which  
7 the business operates. The notice must set forth the date, time and  
8 location of the hearing at which the governing body will consider  
9 whether to endorse the application.

10 2. The governing body of a county, city or town shall develop  
11 procedures for:

12 (a) Evaluating whether such an abatement would be beneficial  
13 for the economic development of the county, city or town.

14 (b) Issuing a certificate of endorsement for an application for  
15 such an abatement that is found to be beneficial for the economic  
16 development of the county, city or town.

17 3. A person whose application has been endorsed by the  
18 governing body of the county, city or town, as applicable, pursuant  
19 to this section may submit the application to the ~~{Commission on}~~  
20 *Office of* Economic Development. The ~~{Commission}~~ *Office* shall  
21 approve the application if the ~~{Commission}~~ *Office* makes the  
22 following determinations:

23 (a) The business is consistent with:

24 (1) The State Plan for ~~{Industrial Development and}~~  
25 ~~Diversification that is developed by the Commission pursuant to~~  
26 ~~NRS 231.067;}~~ *Economic Development developed by the Executive*  
27 *Director of the Office of Economic Development pursuant to*  
28 *subsection 2 of section 14 of this act;* and

29 (2) Any guidelines adopted ~~{pursuant to the State Plan.}~~ *by*  
30 *the Executive Director of the Office of Economic Development to*  
31 *implement the State Plan for Economic Development.*

32 (b) The applicant has executed an agreement with the  
33 ~~{Commission}~~ *Office* which states that the business will, after the  
34 date on which a certificate of eligibility for the abatement is issued  
35 pursuant to subsection 4:

36 (1) Continue in operation in the enterprise community for a  
37 period specified by the ~~{Commission,}~~ *Office*, which must be at  
38 least 5 years; and

39 (2) Continue to meet the eligibility requirements set forth in  
40 this subsection.

41 ➔ The agreement must bind successors in interest of the business  
42 for the specified period.

43 (c) The business is registered pursuant to the laws of this State  
44 or the applicant commits to obtain a valid business license and all



1 other permits required by the county, city or town in which the  
2 business operates.

3 (d) The business:

4 (1) Employs one or more dislocated workers who reside in  
5 the enterprise community; and

6 (2) Pays such employees a wage of not less than 100 percent  
7 of the federally designated level signifying poverty for a family of  
8 four persons and provides medical benefits to the employees and  
9 their dependents.

10 4. If the ~~{Commission on}~~ *Office of* Economic Development  
11 approves an application for a partial abatement, the ~~{Commission}~~  
12 *Office* shall:

13 (a) Determine the percentage of employees of the business  
14 which meet the requirements of paragraph (d) of subsection 3 and  
15 grant a partial abatement equal to that percentage; and

16 (b) Immediately forward a certificate of eligibility for the  
17 abatement to:

18 (1) The Department of Taxation;

19 (2) The Nevada Tax Commission; and

20 (3) If the partial abatement is from the property tax imposed  
21 pursuant to chapter 361 of NRS, the county treasurer of the county  
22 in which the business is located.

23 5. The ~~{Commission on}~~ *Office of* Economic Development:

24 (a) Shall adopt regulations relating to the minimum level of  
25 benefits that a business must provide to its employees to qualify for  
26 an abatement pursuant to this section.

27 (b) May adopt such other regulations as the ~~{Commission}~~  
28 *Office* determines to be necessary or advisable to carry out the  
29 provisions of this section.

30 6. An applicant for an abatement who is aggrieved by a final  
31 decision of the ~~{Commission on}~~ *Office of* Economic Development  
32 may petition for judicial review in the manner provided in chapter  
33 233B of NRS.

34 7. As used in this section, "dislocated worker" means a person  
35 who:

36 (a) Has been terminated, laid off or received notice of  
37 termination or layoff from employment;

38 (b) Is eligible for or receiving or has exhausted his or her  
39 entitlement to unemployment compensation;

40 (c) Has been dependent on the income of another family  
41 member but is no longer supported by that income;

42 (d) Has been self-employed but is no longer receiving an income  
43 from self-employment because of general economic conditions in  
44 the community or natural disaster; or



(e) Is currently unemployed and unable to return to a previous industry or occupation.

**Sec. 52.** NRS 277.340 is hereby amended to read as follows:

277.340 1. The initial governing body of a regional development district consists of the representatives of the counties and cities appointed pursuant to NRS 277.335. The initial governing body shall meet to determine the composition of the board of directors of the district. The board must include:

(a) At least one representative of each county and city that has elected to be a member of the district;

(b) At least one member from each economic development authority in the development region that is ~~recognized~~ *designated* by the ~~[Executive Director of the Commission on]~~ *Board of* Economic Development ~~[:] pursuant to subsection 4 of section 14 of this act;~~

(c) At least one member appointed by the native American tribal councils located in the region; and

(d) Representatives of the general public in the development region representing broad public interests within the region and a diversity of membership based on factors such as age, gender and race.

➔ At least 51 percent of the members of the board must be elected officers who represent counties and cities in the region.

2. After the initial governing body has established a board, the board shall meet to adopt bylaws setting forth its procedures and governing its operations. The bylaws must provide for the terms of office and method of selection of members of the board, and must establish a name for the organization.

3. The board shall annually establish an operating budget, the amount of dues that must be paid by members of the district and a schedule for payment of the dues.

4. Membership in a regional development district is voluntary. Each county and city within the development region shall determine annually whether to remain or become a member of the regional development district. If a county or city determines to become a member of the district, it shall pay the dues established pursuant to subsection 3. A county or city that is not a member of the district is not entitled to be represented on the board.

**Sec. 53.** NRS 345.100 is hereby amended to read as follows:

345.100 The Director shall determine the format, substance, time of preparation, distribution, cost and all other matters pertaining to the publication of the biennial report and the statistical abstract after consultation with the Bureau of Business and Economic Research of the Nevada System of Higher Education, the



1 ~~{Commission-on}~~ *Office of* Economic Development and the State  
2 Library and Archives.

3 **Sec. 54.** NRS 349.800 is hereby amended to read as follows:

4 349.800 1. If the Director certifies to the Governor that there  
5 is a need to issue revenue bonds to carry out the program and that it  
6 is feasible to do so, the Governor may issue an executive order  
7 creating an Advisory Committee on Financing Exports, consisting  
8 of three members appointed by the Director.

9 2. The Director, in consultation with the Executive Director of  
10 the ~~{Commission-on}~~ *Office of* Economic Development and with the  
11 approval of the Governor, shall appoint to serve as members of the  
12 Committee three persons who have proven experience in  
13 international trade and economic development which they acquired  
14 while engaged in finance, manufacturing, business administration,  
15 municipal finance, economics, law or general business.

16 3. After the initial terms, the term of each member is 3 years.

17 **Sec. 55.** NRS 360.225 is hereby amended to read as follows:

18 360.225 1. During the course of an investigation undertaken  
19 pursuant to NRS 360.130 of a person claiming:

20 (a) A partial abatement of property taxes pursuant to  
21 NRS 361.0687;

22 (b) An exemption from taxes pursuant to NRS 363B.120;

23 (c) A deferral of the payment of taxes on the sale of capital  
24 goods pursuant to NRS 372.397 or 374.402; or

25 (d) An abatement of taxes on the gross receipts from the sale,  
26 storage, use or other consumption of eligible machinery or  
27 equipment pursuant to NRS 374.357,

28 ➔ the Department shall investigate whether the person meets the  
29 eligibility requirements for the abatement, partial abatement,  
30 exemption or deferral that the person is claiming.

31 2. If the Department finds that the person does not meet the  
32 eligibility requirements for the abatement, exemption or deferral  
33 which the person is claiming, the Department shall report its  
34 findings to the ~~{Commission-on}~~ *Office of* Economic Development  
35 and take any other necessary actions.

36 **Sec. 56.** NRS 360.750 is hereby amended to read as follows:

37 360.750 1. A person who intends to locate or expand a  
38 business in this State may apply to the ~~{Commission-on}~~ *Office of*  
39 Economic Development for a partial abatement of one or more of  
40 the taxes imposed on the new or expanded business pursuant to  
41 chapter 361, 363B or 374 of NRS.

42 2. The ~~{Commission-on}~~ *Office of* Economic Development  
43 shall approve an application for a partial abatement if the  
44 ~~{Commission}~~ *Office* makes the following determinations:

45 (a) The business is consistent with:



(1) The State Plan for ~~Industrial Development and Diversification that is developed by the Commission pursuant to NRS 231.067;~~ *Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of section 14 of this act;* and

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

(b) The applicant has executed an agreement with the ~~[Commission]~~ *Office* which must:

(1) Comply with the requirements of NRS 360.755;

(2) State that the business will, after the date on which a certificate of eligibility for the abatement is issued pursuant to subsection 4, continue in operation in this State for a period specified by the ~~[Commission.]~~ *Office*, which must be at least 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and

(3) 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 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 two of the following requirements:

(1) The business will have 75 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$1,000,000 in this State.

(3) The average hourly wage that will be paid by the new business to its 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 and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this State will meet the minimum requirements for benefits established by the ~~[Commission]~~ *Office* by regulation pursuant to subsection 8.



\* A B 4 4 9 \*

(e) 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 or a city whose population is less than 60,000, the business meets at least two of the following requirements:

(1) The business will have 15 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$250,000 in this State.

(3) The average hourly wage that will be paid by the new business to its employees in this State is at least 100 percent of the average statewide hourly wage or the average countywide hourly wage, whichever is less, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this State will meet the minimum requirements for benefits established by the ~~Commission~~ Office by regulation pursuant to subsection 8.

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

(1) The business will increase the number of employees on its payroll by 10 percent more than it employed in the immediately preceding fiscal year or by six employees, whichever is greater.

(2) The business will expand by making a capital investment in this State in an amount equal to at least 20 percent of the value of the tangible property possessed by the business in the immediately preceding fiscal year. 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.

(3) The average hourly wage that will be paid by the existing business to its new employees in this State is at least the amount of the average hourly wage required to be paid by businesses pursuant to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of NRS 361.0687, whichever is applicable, and:

(I) The business will provide a health insurance plan for all new employees that includes an option for health insurance coverage for dependents of the employees; and





(II) The cost to the business for the benefits the business provides to its new employees in this State will meet the minimum requirements for benefits established by the ~~{Commission}~~ Office by regulation pursuant to subsection 8.

(g) In lieu of meeting the requirements of paragraph (d), (e) or (f), if the business furthers the development and refinement of intellectual property, a patent or a copyright into a commercial product, the business meets at least two of the following requirements:

(1) The business will have 10 or more full-time employees on the payroll of the business by the fourth quarter that it is in operation.

(2) Establishing the business will require the business to make a capital investment of at least \$500,000 in this State.

(3) The average hourly wage that will be paid by the new business to its employees in this State is at least the amount of the average hourly wage required to be paid by businesses pursuant to subparagraph (2) of either paragraph (a) or (b) of subsection 2 of NRS 361.0687, whichever is applicable, and:

(I) The business will provide a health insurance plan for all employees that includes an option for health insurance coverage for dependents of the employees; and

(II) The cost to the business for the benefits the business provides to its employees in this State will meet with minimum requirements established by the ~~{Commission}~~ Office by regulation pursuant to subsection 8.

3. Notwithstanding the provisions of subsection 2, the ~~{Commission-on}~~ Office of Economic Development:

(a) Shall not consider an application for a partial abatement unless the ~~{Commission}~~ Office has requested a letter of acknowledgment of the request for the abatement from any affected county, school district, city or town.

(b) May, if the ~~{Commission}~~ Office determines that such action is necessary:

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

(2) Make the requirements set forth in paragraph (d), (e), (f) or (g) of subsection 2 more stringent; or

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

4. If the ~~{Commission-on}~~ Office of Economic Development approves an application for a partial abatement, the ~~{Commission}~~ 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.

5. 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 ~~Commission on~~ *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.

6. 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 exemption 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 exemption 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.

7. A county treasurer:

(a) Shall deposit any money that he or she receives pursuant to subsection 6 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.

8. The ~~Commission on~~ *Office of* Economic Development:

(a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees if the business is going to use benefits paid to employees as a basis to qualify for a partial abatement; and

(b) May adopt such other regulations as the ~~Commission on~~ *Office of* Economic Development determines to be necessary to carry out the provisions of this section and NRS 360.755.

9. The Nevada Tax Commission:



\* A B 4 4 9 \*

(a) Shall adopt regulations regarding:

(1) The capital investment that a new business must make to meet the requirement set forth in paragraph (d), (e) 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.

10. An applicant for an abatement who is aggrieved by a final decision of the ~~Commission~~ *Office of* Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

**Sec. 57.** NRS 360.755 is hereby amended to read as follows:

360.755 1. If the ~~Commission~~ *Office of* Economic Development approves an application by a business for a partial abatement pursuant to NRS 360.750, the agreement with the ~~Commission~~ *Office* must provide that the business:

(a) Agrees to allow the Department to conduct audits of the business to determine whether the business is in compliance with the requirements for the partial abatement; and

(b) Consents to the disclosure of the audit reports in the manner set forth in this section.

2. If the Department conducts an audit of the business to determine whether the business is in compliance with the requirements for the partial abatement, the Department shall, upon request, provide the audit report to the ~~Commission~~ *Office of* Economic Development.

3. Until the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit, the information contained in the audit report provided to the ~~Commission~~ *Office of* Economic Development:

(a) Is confidential proprietary information of the business;

(b) Is not a public record; and

(c) Must not be disclosed to any person who is not an officer or employee of the ~~Commission~~ *Office of* Economic Development unless the business consents to the disclosure.

4. After the business has exhausted all appeals to the Department and the Nevada Tax Commission relating to the audit:

(a) The audit report provided to the ~~Commission~~ *Office of* Economic Development is a public record; and

(b) Upon request by any person, the Executive Director of the ~~Commission~~ *Office of* Economic Development shall disclose the audit report to the person who made the request, except for any



1 information in the audit report that is protected from disclosure  
2 pursuant to subsection 5.

3 5. Before the Executive Director of the ~~{Commission-on}~~  
4 *Office of* Economic Development discloses the audit report to the  
5 public, the business may submit a request to the Executive Director  
6 to protect from disclosure any information in the audit report which,  
7 under generally accepted business practices, would be considered a  
8 trade secret or other confidential proprietary information of the  
9 business. After consulting with the business, the Executive Director  
10 shall determine whether to protect the information from disclosure.  
11 The decision of the Executive Director is final and is not subject to  
12 judicial review. If the Executive Director determines to protect the  
13 information from disclosure, the protected information:

- 14 (a) Is confidential proprietary information of the business;  
15 (b) Is not a public record;  
16 (c) Must be redacted by the Executive Director from any audit  
17 report that is disclosed to the public; and  
18 (d) Must not be disclosed to any person who is not an officer or  
19 employee of the ~~{Commission-on}~~ *Office of* Economic Development  
20 unless the business consents to the disclosure.

21 **Sec. 58.** NRS 360.757 is hereby amended to read as follows:

22 360.757 1. If the ~~{Commission-on}~~ *Office of* Economic  
23 Development receives an application for any abatement of taxes  
24 imposed on a business, the ~~{Commission}~~ *Office* shall, at least 30  
25 days before the meeting at which the ~~{Commission}~~ *Office* takes any  
26 action on the application, provide notice of the application to:

- 27 (a) The governing body of the county, the board of trustees of  
28 the school district and the governing body of the city or town, if any,  
29 in which the business is or will be located; and  
30 (b) The governing body of any other political subdivision that  
31 could be affected by the abatement.

32 2. The notice required by this section must set forth the date,  
33 time and location of the meeting at which the ~~{Commission-on}~~  
34 *Office of* Economic Development will consider the application.

35 3. The ~~{Commission-on}~~ *Office of* Economic Development  
36 shall adopt regulations relating to the notice required by this section.

37 **Sec. 59.** NRS 361.0687 is hereby amended to read as follows:

38 361.0687 1. A person who intends to locate or expand a  
39 business in this State may, pursuant to NRS 360.750, apply to the  
40 ~~{Commission-on}~~ *Office of* Economic Development for a partial  
41 abatement from the taxes imposed by this chapter.

42 2. For a business to qualify pursuant to NRS 360.750 for a  
43 partial abatement from the taxes imposed by this chapter, the  
44 ~~{Commission-on}~~ *Office of* Economic Development must determine



1 that, in addition to meeting the other requirements set forth in  
2 subsection 2 of that section:

3 (a) If the business is a new business in a county whose  
4 population is 100,000 or more or a city whose population is 60,000  
5 or more:

6 (1) The business will make a capital investment in the county  
7 of at least \$50,000,000 if the business is an industrial or  
8 manufacturing business or at least \$5,000,000 if the business is not  
9 an industrial or manufacturing business; and

10 (2) The average hourly wage that will be paid by the new  
11 business to its employees in this State is at least 100 percent of the  
12 average statewide hourly wage as established by the Employment  
13 Security Division of the Department of Employment, Training and  
14 Rehabilitation on July 1 of each fiscal year.

15 (b) If the business is a new business in a county whose  
16 population is less than 100,000 or a city whose population is less  
17 than 60,000:

18 (1) The business will make a capital investment in the county  
19 of at least \$5,000,000 if the business is an industrial or  
20 manufacturing business or at least \$500,000 if the business is not an  
21 industrial or manufacturing business; and

22 (2) The average hourly wage that will be paid by the new  
23 business to its employees in this State is at least 100 percent of the  
24 average statewide hourly wage or the average countywide hourly  
25 wage, whichever is less, as established by the Employment Security  
26 Division of the Department of Employment, Training and  
27 Rehabilitation on July 1 of each fiscal year.

28 3. Except as otherwise provided in NRS 701A.210, if a partial  
29 abatement from the taxes imposed by this chapter is approved by the  
30 ~~{Commission-on}~~ *Office of* Economic Development pursuant to  
31 NRS 360.750:

32 (a) The partial abatement must:

33 (1) Be for a duration of at least 1 year but not more than 10  
34 years;

35 (2) Not exceed 50 percent of the taxes on personal property  
36 payable by a business each year pursuant to this chapter; and

37 (3) Be administered and carried out in the manner set forth in  
38 NRS 360.750.

39 (b) The Executive Director of the ~~{Commission-on}~~ *Office of*  
40 Economic Development shall notify the county assessor of the  
41 county in which the business is located of the approval of the partial  
42 abatement, including, without limitation, the duration and  
43 percentage of the partial abatement that the ~~{Commission}~~ *Office*  
44 granted. The Executive Director shall, on or before April 15 of each  
45 year, advise the county assessor of each county in which a business



1 qualifies for a partial abatement during the current fiscal year as to  
2 whether the business is still eligible for the partial abatement in the  
3 next succeeding fiscal year.

4 **Sec. 60.** NRS 363B.120 is hereby amended to read as follows:

5 363B.120 1. An employer that qualifies pursuant to the  
6 provisions of NRS 360.750 is entitled to an exemption of 50 percent  
7 of the amount of tax otherwise due pursuant to NRS 363B.110  
8 during the first 4 years of its operation.

9 2. If a partial abatement from the taxes otherwise due pursuant  
10 to NRS 363B.110 is approved by the ~~{Commission-on}~~ *Office of*  
11 Economic Development pursuant to NRS 360.750, the partial  
12 abatement must be administered and carried out in the manner set  
13 forth in NRS 360.750.

14 **Sec. 61.** NRS 372.397 is hereby amended to read as follows:

15 372.397 1. Payment of the tax on the sale of capital goods for  
16 a sales price of \$100,000 or more may be deferred without interest  
17 in accordance with this section. If the sales price is:

18 (a) At least \$100,000 but less than \$350,000, the tax must be  
19 paid within 12 months.

20 (b) At least \$350,000 but less than \$600,000, the tax must be  
21 paid within 24 months.

22 (c) At least \$600,000 but less than \$850,000, the tax must be  
23 paid within 36 months.

24 (d) At least \$850,000 but less than \$1,000,000, the tax must be  
25 paid within 48 months.

26 (e) One million dollars or more, the tax must be paid within 60  
27 months.

28 ➔ Payment must be made in each month at a rate which is at least  
29 sufficient to result in payment of the total obligation within the  
30 permitted period.

31 2. A person may apply to the ~~{Commission-on}~~ *Office of*  
32 Economic Development for such a deferment. If a purchase is made  
33 outside of the State from a retailer who is not registered with the  
34 Department, an application for a deferment must be made in  
35 advance or, if the purchase has been made, within 60 days after the  
36 date on which the tax is due. If a purchase is made in this State from  
37 a retailer who is registered with the Department and to whom the tax  
38 is paid, an application must be made within 60 days after the  
39 payment of the tax. If the application for a deferment is approved,  
40 the taxpayer is eligible for a refund of the tax paid.

41 3. The ~~{Commission-on}~~ *Office of* Economic Development  
42 shall certify the person's eligibility for a deferment if:

43 (a) The purchase is consistent with the ~~{Commission's plan for~~  
44 ~~industrial development and diversification;}~~ *State Plan for*



\* A B 4 4 9 \*

*Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of section 14 of this act; and*

(b) The ~~[Commission]~~ *Office* determines that the deferment is a significant factor in the decision of the person to locate or expand a business in this State.

➤ Upon certification, the ~~[Commission]~~ *Office* shall immediately forward the deferment to the Nevada Tax Commission.

4. Upon receipt of such a certification, the Nevada Tax Commission shall verify the sale, the price paid and the date of the sale and assign the applicable period for payment of the deferred tax. It may require security for the payment in an amount which does not exceed the amount of tax deferred.

5. The Nevada Tax Commission shall adopt regulations governing:

(a) The aggregation of related purchases which are made to expand a business, establish a new business, or renovate or replace capital equipment; and

(b) The period within which such purchases may be aggregated.

**Sec. 62.** NRS 374.357 is hereby amended to read as follows:

374.357 1. A person who maintains a business or intends to locate a business in this State may, pursuant to NRS 360.750, apply to the ~~[Commission-on]~~ *Office of* Economic Development for an abatement from the taxes imposed by this chapter on the gross receipts from the sale, and the storage, use or other consumption, of eligible machinery or equipment for use by a business which has been approved for an abatement pursuant to NRS 360.750.

2. If an application for an abatement is approved pursuant to NRS 360.750:

(a) The taxpayer is eligible for an abatement from the tax imposed by this chapter for not more than 2 years.

(b) The abatement must be administered and carried out in the manner set forth in NRS 360.750.

3. As used in this section, unless the context otherwise requires, "eligible machinery or equipment" means machinery or equipment for which a deduction is authorized pursuant to 26 U.S.C. § 179. The term does not include:

(a) Buildings or the structural components of buildings;

(b) Equipment used by a public utility;

(c) Equipment used for medical treatment;

(d) Machinery or equipment used in mining; or

(e) Machinery or equipment used in gaming.

**Sec. 63.** NRS 374.402 is hereby amended to read as follows:

374.402 1. Payment of the tax on the sale of capital goods for a sales price of \$100,000 or more may be deferred without interest in accordance with this section. If the sales price is:



\* A B 4 4 9 \*



(a) At least \$100,000 but less than \$350,000, the tax must be paid within 12 months.

(b) At least \$350,000 but less than \$600,000, the tax must be paid within 24 months.

(c) At least \$600,000 but less than \$850,000, the tax must be paid within 36 months.

(d) At least \$850,000 but less than \$1,000,000, the tax must be paid within 48 months.

(e) One million dollars or more, the tax must be paid within 60 months.

➤ Payment must be made in each month at a rate which is at least sufficient to result in payment of the total obligation within the permitted period.

2. A person may apply to the ~~[Commission-on]~~ *Office of Economic Development* for such a deferment. If a purchase is made outside of the State from a retailer who is not registered with the Department, an application for a deferment must be made in advance or, if the purchase has been made, within 60 days after the date on which the tax is due. If a purchase is made in this State from a retailer who is registered with the Department and to whom the tax is paid, an application must be made within 60 days after the payment of the tax. If the application for a deferment is approved, the taxpayer is eligible for a refund of the tax paid.

3. The ~~[Commission-on]~~ *Office of Economic Development* shall certify the person's eligibility for a deferment if:

(a) The purchase is consistent with the ~~[Commission's plan for industrial development and diversification;]~~ *State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of section 14 of this act;* and

(b) The ~~[Commission]~~ *Office* determines that the deferment is a significant factor in the decision of the person to locate or expand a business in this State.

➤ Upon certification, the ~~[Commission]~~ *Office* shall immediately forward the deferment to the Nevada Tax Commission.

4. Upon receipt of such a certification, the Nevada Tax Commission shall verify the sale, the price paid and the date of the sale and assign the applicable period for payment of the deferred tax. It may require security for the payment in an amount which does not exceed the amount of tax deferred.

5. The Nevada Tax Commission shall adopt regulations governing:

(a) The aggregation of related purchases which are made to expand a business, establish a new business, or renovate or replace capital equipment; and

(b) The period within which such purchases may be aggregated.



**Sec. 64.** NRS 380A.041 is hereby amended to read as follows:  
380A.041 1. The Governor shall appoint to the Council:

- (a) A representative of public libraries;
- (b) A trustee of a legally established library or library system;
- (c) A representative of school libraries;
- (d) A representative of academic libraries;
- (e) A representative of special libraries or institutional libraries;
- (f) A representative of persons with disabilities;
- (g) A representative of the public who uses these libraries;
- (h) A representative of recognized state labor organizations;
- (i) A representative of private sector employers;
- (j) A representative of private literacy organizations, voluntary literacy organizations or community-based literacy organizations;

and  
(k) A classroom teacher who has demonstrated outstanding results in teaching children or adults to read.

2. The director of the following state agencies or their designees shall serve as ex officio members of the Council:

- (a) The Department of Cultural Affairs;
- (b) The Department of Education;
- (c) The Department of Employment, Training and Rehabilitation;
- (d) The Department of Health and Human Services;
- (e) The ~~Commission on~~ *Office of* Economic Development; and
- (f) The Department of Corrections.

3. Officers of State Government whose agencies provide funding for literacy services may be designated by the Governor or the Chair of the Council to serve whenever matters within the jurisdiction of the agency are considered by the Council.

4. The Governor shall ensure that there is appropriate representation on the Council of urban and rural areas of the State, women, persons with disabilities, and racial and ethnic minorities.

5. A person may not serve as a member of the Council for more than two consecutive terms.

**Sec. 65.** NRS 408.210 is hereby amended to read as follows:

408.210 1. The Director may restrict the use of, or close, any highway whenever the Director considers the closing or restriction of use necessary:

- (a) For the protection of the public.
- (b) For the protection of such highway from damage during storms or during construction, reconstruction, improvement or maintenance operations thereon.

(c) To promote economic development or tourism in the best interest of the State or upon the written request of the Executive



\* A B 4 4 9 \*

1 Director of the ~~Commission on~~ *Office of* Economic Development  
2 or the Director of the Commission on Tourism.

3 2. The Director may:

4 (a) Divide or separate any highway into separate roadways,  
5 wherever there is particular danger to the traveling public of  
6 collisions between vehicles proceeding in opposite directions or  
7 from vehicular turning movements or cross-traffic, by constructing  
8 curbs, central dividing sections or other physical dividing lines, or  
9 by signs, marks or other devices in or on the highway appropriate to  
10 designate the dividing line.

11 (b) Lay out and construct frontage roads on and along any  
12 highway or freeway and divide and separate any such frontage road  
13 from the main highway or freeway by means of curbs, physical  
14 barriers or by other appropriate devices.

15 3. The Director may remove from the highways any unlicensed  
16 encroachment which is not removed, or the removal of which is not  
17 commenced and thereafter diligently prosecuted, within 5 days after  
18 personal service of notice and demand upon the owner of the  
19 encroachment or the owner's agent. In lieu of personal service upon  
20 that person or agent, service of the notice may also be made by  
21 registered or certified mail and by posting, for a period of 5 days, a  
22 copy of the notice on the encroachment described in the notice.  
23 Removal by the Department of the encroachment on the failure of  
24 the owner to comply with the notice and demand gives the  
25 Department a right of action to recover the expense of the removal,  
26 cost and expenses of suit, and in addition thereto the sum of \$100  
27 for each day the encroachment remains beyond 5 days after the  
28 service of the notice and demand.

29 4. If the Director determines that the interests of the  
30 Department are not compromised by a proposed or existing  
31 encroachment, the Director may issue a license to the owner or the  
32 owner's agent permitting an encroachment on the highway. Such a  
33 license is revocable and must provide for relocation or removal of  
34 the encroachment in the following manner. Upon notice from the  
35 Director to the owner of the encroachment or the owner's agent, the  
36 owner or agent may propose a time within which he or she will  
37 relocate or remove the encroachment as required. If the Director and  
38 the owner or the owner's agent agree upon such a time, the Director  
39 shall not himself remove the encroachment unless the owner or the  
40 owner's agent has failed to do so within the time agreed. If the  
41 Director and the owner or the owner's agent do not agree upon such  
42 a time, the Director may remove the encroachment at any time later  
43 than 30 days after the service of the original notice upon the owner  
44 or the owner's agent. Service of notice may be made in the manner  
45 provided by subsection 3. Removal of the encroachment by the



\* A B 4 4 9 \*

1 Director gives the Department the right of action provided by  
2 subsection 3, but the penalty must be computed from the expiration  
3 of the agreed period or 30-day period, as the case may be.

4 **Sec. 66.** NRS 417.105 is hereby amended to read as follows:

5 417.105 1. Each year on or before October 1, the Office of  
6 Veterans' Services shall review the reports submitted pursuant to  
7 NRS 333.3368 and 338.13846.

8 2. In carrying out the provisions of subsection 1, the Office of  
9 Veterans' Services shall seek input from:

10 (a) The Purchasing Division of the Department of  
11 Administration.

12 (b) The State Public Works Board.

13 (c) The ~~Commission on~~ *Office of* Economic Development.

14 (d) Groups representing the interests of veterans of the Armed  
15 Forces of the United States.

16 (e) The business community.

17 (f) Local businesses owned by veterans with service-connected  
18 disabilities.

19 3. After performing the duties described in subsections 1 and 2,  
20 the Office of Veterans' Services shall make recommendations to the  
21 Legislative Commission regarding the continuation, modification,  
22 promotion or expansion of the preferences for local businesses  
23 owned by veterans with service-connected disabilities which are  
24 described in NRS 333.3366 and 338.13844.

25 4. As used in this section:

26 (a) "Business owned by a veteran with a service-connected  
27 disability" has the meaning ascribed to it in NRS 338.13841.

28 (b) "Local business" has the meaning ascribed to it in  
29 NRS 333.3363.

30 (c) "Veteran with a service-connected disability" has the  
31 meaning ascribed to it in NRS 338.13843.

32 **Sec. 67.** NRS 670.130 is hereby amended to read as follows:

33 670.130 In furtherance of its purposes and in addition to the  
34 powers conferred on business corporations by law, the corporation  
35 has, subject to the restrictions and limitations contained in this  
36 chapter, the following powers:

37 1. To elect, appoint and employ officers, agents and  
38 employees, to make contracts and incur liabilities for any of the  
39 purposes of the corporation. The corporation shall not incur any  
40 secondary liability by way of guaranty or endorsement of the  
41 obligations of any natural person, firm, corporation, joint-stock  
42 company, association or trust, or in any other manner, except that  
43 the corporation may guarantee or endorse obligations of borrowers.

44 2. To borrow money and negotiate guarantees from federal  
45 agencies for any of the purposes of the corporation, to issue its



\* A B 4 4 9 \*

1 bonds, debentures, notes or other evidences of indebtedness,  
2 whether secured or unsecured, and to secure them by mortgage,  
3 pledge, deed of trust or other lien on its property, franchises, rights  
4 and privileges of every kind and nature, or any part of them or  
5 interest in them, without securing stockholder approval.

6 3. To make loans to any natural person, firm, corporation,  
7 joint-stock company, association or trust, and to establish and  
8 regulate the terms and conditions with respect to those loans and the  
9 charges for interest and service connected therewith, except that the  
10 corporation shall not approve any application for a loan unless  
11 the person applying for the loan shows that he or she has applied for  
12 the loan through ordinary banking channels and that the loan has  
13 been refused by at least one bank or other financial institution.

14 4. To purchase, receive, hold, lease or otherwise acquire, and to  
15 sell, convey, transfer, lease or otherwise dispose of real and personal  
16 property, together with such rights and privileges as may be  
17 incidental and appurtenant to the property and the use of it,  
18 including but not restricted to any real or personal property acquired  
19 by the corporation from time to time in the satisfaction of debts or  
20 enforcement of obligations.

21 5. To acquire the goodwill, business, rights, real and personal  
22 property and other assets, or any part of them, or interest in them, of  
23 any natural person, firm, corporation, joint-stock company,  
24 association or trust, and to assume, undertake or pay the obligations,  
25 debts and liabilities of that natural person, firm, corporation, joint-  
26 stock company, association or trust; to acquire improved or  
27 unimproved real estate for the purpose of constructing industrial  
28 plants or other business establishments on it or for the purpose of  
29 disposing of that real estate to others for the construction of  
30 industrial plants or other business establishments; and to acquire,  
31 construct or reconstruct, alter, repair, maintain, operate, sell, convey,  
32 transfer, lease or otherwise dispose of industrial plants or business  
33 establishments.

34 6. To acquire, subscribe for, own, hold, sell, assign, transfer,  
35 mortgage, pledge or otherwise dispose of the stock, shares, bonds,  
36 debentures, notes or other securities and evidences of interest in or  
37 indebtedness of any natural person, firm, corporation, joint-stock  
38 company, association or trust, and while the owner or holder thereof  
39 to exercise all the rights, powers and privileges of ownership  
40 including the right to vote thereon.

41 7. To mortgage, pledge or otherwise encumber any property,  
42 right or thing of value acquired pursuant to the powers contained in  
43 subsection 4, 5 or 6 as security for the payment of any part of the  
44 purchase price of them.



8. To cooperate with and avail itself of the facilities of the United States Department of Commerce, the ~~Commission on~~ *Office of* Economic Development and any other similar state or federal governmental agencies; and to cooperate with and assist, and otherwise encourage organizations in the various communities of the State in the promotion, assistance and development of the business prosperity and economic welfare of those communities or of this state.

9. To do all acts and things necessary or convenient to carry out the powers expressly granted in this chapter.

**Sec. 68.** NRS 670A.150 is hereby amended to read as follows:

670A.150 In furtherance of its purposes and in addition to the powers conferred on business corporations by law, the corporation may, subject to the restrictions and limitations contained in this chapter:

1. Elect, appoint and employ officers, agents and employees, make contracts, including without limitation, contracts to share personnel and services with other public or private entities to carry out the State Plan for Economic Development, and may incur liabilities for any of the purposes of the corporation. The corporation shall not incur any secondary liability by way of guaranty or endorsement of the obligations of any natural person, firm, corporation, joint-stock company, association or trust, or in any other manner, except that the corporation may guarantee or endorse industrial revenue bonds, individually or in groups, issued under the laws of this state and the obligations of borrowers.

2. Borrow money and negotiate guarantees from federal agencies for any of the purposes of the corporation, issue its bonds, debentures, notes or other evidences of indebtedness, whether secured or unsecured, and may secure them by mortgage, pledge, deed of trust or other lien on its property, franchises, rights and privileges of every kind and nature, or any part of them or interest in them, without securing stockholder approval.

3. Make loans to any natural person, firm, corporation, joint-stock company, association or trust, and may establish and regulate the terms and conditions with respect to those loans and the charges for interest and service connected therewith, except that the corporation shall not approve any application for a loan unless the person applying for the loan shows that he or she has applied for the loan through ordinary banking channels and that the loan has been refused by at least one bank or other financial institution.

4. Purchase, receive, hold, lease or otherwise acquire, and to sell, convey, transfer, lease or otherwise dispose of real and personal property, together with such rights and privileges as may be incidental and appurtenant to the property and the use of it,



1 including but not restricted to any real or personal property acquired  
2 by the corporation from time to time in the satisfaction of debts or  
3 enforcement of obligations.

4 5. Acquire the goodwill, business, rights, real and personal  
5 property and other assets, or any part of them, or interest in them, of  
6 any natural person, firm, corporation, joint-stock company,  
7 association or trust, and assume, undertake or pay the obligations,  
8 debts and liabilities of that natural person, firm, corporation, joint-  
9 stock company, association or trust; to acquire improved or  
10 unimproved real estate to construct industrial plants or other  
11 business establishments on it or to dispose of that real estate to  
12 others for the construction of industrial plants or other business  
13 establishments; and may acquire, construct or reconstruct, alter,  
14 repair, maintain, operate, sell, convey, transfer, lease or otherwise  
15 dispose of industrial plants or business establishments.

16 6. Acquire, subscribe for, own, hold, sell, assign, transfer,  
17 mortgage, pledge or otherwise dispose of the stock, shares, bonds,  
18 debentures, notes or other securities and evidences of interest in or  
19 indebtedness of any natural person, firm, corporation, joint-stock  
20 company, association or trust, and while the owner or holder thereof  
21 may exercise all the rights, powers and privileges of ownership  
22 including the right to vote thereon.

23 7. Mortgage, pledge or otherwise encumber any property, right  
24 or thing of value acquired pursuant to the powers contained in  
25 subsection 4, 5 or 6 as security for the payment of any part of the  
26 purchase price of them.

27 8. Cooperate with and avail itself of the facilities of the United  
28 States Department of Commerce, the ~~Commission on~~ *Office of*  
29 Economic Development and any other similar state or federal  
30 governmental agencies and may cooperate with and assist, and  
31 otherwise encourage organizations in the various communities of  
32 the State in the promotion, assistance and development of the  
33 business prosperity and economic welfare of those communities or  
34 of this state.

35 9. Do all acts and things necessary or convenient to carry out  
36 the powers expressly granted in this chapter.

37 **Sec. 69.** NRS 670A.180 is hereby amended to read as follows:

38 670A.180 1. The business and affairs of the corporation must  
39 be managed and conducted by a board of directors, a president, a  
40 vice president, a secretary, a treasurer and such other officers and  
41 agents as the corporation by its bylaws may authorize. The board of  
42 directors must consist of a number not less than 9 nor more than 15  
43 as may be determined in the first instance by the incorporators and  
44 after that annually by the stockholders of the corporation. The  
45 Director of the Department of Business and Industry and the





1 Executive Director of the ~~Commission on~~ *Office of* Economic  
2 Development shall serve ex officio as nonvoting directors, but  
3 without any liability as such, except for gross negligence or willful  
4 misconduct.

5 2. The board of directors may exercise all the powers of the  
6 corporation except those conferred by law or by the bylaws of the  
7 corporation upon the stockholders and shall choose and appoint all  
8 the agents and officers of the corporation and fill all vacancies  
9 except vacancies in the office of director, which must be filled as  
10 provided in this section.

11 3. The voting directors must be elected in the first instance by  
12 the incorporators and after that at least five directors must be elected  
13 by the members of the corporation and at least two directors must be  
14 elected by the stockholders at the annual meeting. The annual  
15 meeting must be held during the month of January or, if no annual  
16 meeting is held in the year of incorporation, then within 90 days  
17 after the approval of the articles of incorporation at a special  
18 meeting as provided in this chapter.

19 4. The voting directors shall hold office until the next annual  
20 meeting of the corporation or special meeting held in lieu of the  
21 annual meeting after the election and until their successors are  
22 elected and qualified, unless sooner removed in accordance with the  
23 provisions of the bylaws.

24 5. Any vacancy in the office of a voting director must be filled  
25 by the directors.

26 6. Directors and officers are not responsible for losses unless  
27 the losses have been occasioned by the willful misconduct of those  
28 directors and officers.

29 **Sec. 70.** NRS 701A.110 is hereby amended to read as follows:

30 701A.110 1. Except as otherwise provided in this section, the  
31 Director shall grant a partial abatement from the portion of the taxes  
32 imposed pursuant to chapter 361 of NRS, other than any taxes  
33 imposed for public education, on a building or other structure that is  
34 determined to meet the equivalent of the silver level or higher by an  
35 independent contractor authorized to make that determination in  
36 accordance with the Green Building Rating System adopted by the  
37 Director pursuant to NRS 701A.100, if:

38 (a) No funding is provided by any governmental entity in this  
39 State for the acquisition, design or construction of the building or  
40 other structure or for the acquisition of any land therefor. For the  
41 purposes of this paragraph:

42 (1) Private activity bonds must not be considered funding  
43 provided by a governmental entity.

44 (2) The term "private activity bond" has the meaning  
45 ascribed to it in 26 U.S.C. § 141.



(b) The owner of the property:

(1) Submits an application for the partial abatement to the Director. If such an application is submitted for a project that has not been completed on the date of that submission and there is a significant change in the scope of the project after that date, the application must be amended to include the change or changes.

(2) Except as otherwise provided in this subparagraph, provides to the Director, within 48 months after applying for the partial abatement, proof that the building or other structure meets the equivalent of the silver level or higher, as determined by an independent contractor authorized to make that determination in accordance with the Green Building Rating System adopted by the Director pursuant to NRS 701A.100. The Director may, for good cause shown, extend the period for providing such proof.

(3) Files a copy of each application and amended application submitted to the Director pursuant to subparagraph (1) with the:

(I) Chief of the Budget Division of the Department of Administration;

(II) Department of Taxation;

(III) County assessor;

(IV) County treasurer;

(V) ~~Commission on~~ *Office of* Economic Development;

(VI) Board of county commissioners; and

(VII) City manager and city council, if any.

2. As soon as practicable after the Director receives the application and proof required by subsection 1, the Director shall determine whether the building or other structure is eligible for the abatement and, if so, forward a certificate of eligibility for the abatement to the:

(a) Department of Taxation;

(b) County assessor;

(c) County treasurer; and

(d) ~~Commission on~~ *Office of* Economic Development.

3. As soon as practicable after receiving a copy of:

(a) An application pursuant to subparagraph (3) of paragraph (b) of subsection 1:

(1) The Chief of the Budget Division shall publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement on the State; and

(2) The Department of Taxation shall publish a fiscal note that indicates an estimate of the fiscal impact of the partial abatement on each affected local government, and forward a copy of the fiscal note to each affected local government.



(b) A certificate of eligibility pursuant to subsection 2, the Department of Taxation shall forward a copy of the certificate to each affected local government.

4. The partial abatement:

(a) Must be for a duration of not more than 10 years and in an annual amount that equals, for a building or other structure that meets the equivalent of:

(1) The silver level, 25 percent of the portion of the taxes imposed pursuant to chapter 361 of NRS, other than any taxes imposed for public education, that would otherwise be payable for the building or other structure, excluding the associated land;

(2) The gold level, 30 percent of the portion of the taxes imposed pursuant to chapter 361 of NRS, other than any taxes imposed for public education, that would otherwise be payable for the building or other structure, excluding the associated land; or

(3) The platinum level, 35 percent of the portion of the taxes imposed pursuant to chapter 361 of NRS, other than any taxes imposed for public education, that would otherwise be payable for the building or other structure, excluding the associated land.

(b) Does not apply during any period in which the owner of the building or other structure is receiving another abatement or exemption pursuant to this chapter or NRS 361.045 to 361.159, inclusive, from the taxes imposed pursuant to chapter 361 of NRS.

(c) Terminates upon any determination by the Director that the building or other structure has ceased to meet the equivalent of the silver level or higher. The Director shall provide notice and a reasonable opportunity to cure any noncompliance issues before making a determination that the building or other structure has ceased to meet that standard. The Director shall immediately provide notice of each determination of termination to the:

(1) Department of Taxation, who shall immediately notify each affected local government of the determination;

(2) County assessor;

(3) County treasurer; and

(4) ~~Commission on~~ *Office of* Economic Development.

5. The Director shall adopt regulations:

(a) Establishing the qualifications and methods to determine eligibility for the abatement;

(b) Prescribing such forms as will ensure that all information and other documentation necessary to make an appropriate determination is filed with the Director; and

(c) Prescribing the criteria for determining when there is a significant change in the scope of a project for the purposes of subparagraph (1) of paragraph (b) of subsection 1,



1 ➡ and the Department of Taxation shall adopt such additional  
2 regulations as it determines to be appropriate to carry out the  
3 provisions of this section.

4 6. As used in this section:

5 (a) "Building or other structure" does not include any building  
6 or other structure for which the principal use is as a residential  
7 dwelling for not more than four families.

8 (b) "Director" means the Director of the Office of Energy  
9 appointed pursuant to NRS 701.150.

10 (c) "Taxes imposed for public education" means:

11 (1) Any ad valorem tax authorized or required by chapter  
12 387 of NRS;

13 (2) Any ad valorem tax authorized or required by chapter  
14 350 of NRS for the obligations of a school district, including,  
15 without limitation, any ad valorem tax necessary to carry out the  
16 provisions of subsection 5 of NRS 350.020; and

17 (3) Any other ad valorem tax for which the proceeds thereof  
18 are dedicated to the public education of pupils in kindergarten  
19 through grade 12.

20 **Sec. 71.** NRS 701A.210 is hereby amended to read as follows:

21 701A.210 1. Except as otherwise provided in this section, if

22 a:

23 (a) Business that engages in the primary trade of preparing,  
24 fabricating, manufacturing or otherwise processing raw material or  
25 an intermediate product through a process in which at least 50  
26 percent of the material or product is recycled on-site; or

27 (b) Business that includes as a primary component a facility for  
28 the generation of electricity from recycled material,

29 ➡ is found by the ~~{Commission-on}~~ *Office of* Economic  
30 Development to have as a primary purpose the conservation of  
31 energy or the substitution of other sources of energy for fossil  
32 sources of energy and obtains certification from the ~~{Commission~~  
33 ~~on}~~ *Office of* Economic Development pursuant to NRS 360.750, the  
34 ~~{Commission}~~ *Office* may, if the business additionally satisfies  
35 the requirements set forth in subsection 2 of NRS 361.0687, grant to  
36 the business a partial abatement from the taxes imposed on real  
37 property pursuant to chapter 361 of NRS.

38 2. If a partial abatement from the taxes imposed on real  
39 property pursuant to chapter 361 of NRS is approved by the  
40 ~~{Commission-on}~~ *Office of* Economic Development pursuant to  
41 NRS 360.750 for a business described in subsection 1:

42 (a) The partial abatement must:

43 (1) Be for a duration of at least 1 year but not more than 10  
44 years;



\* A B 4 4 9 \*

(2) Not exceed 50 percent of the taxes on real property payable by the business each year; and

(3) Be administered and carried out in the manner set forth in NRS 360.750.

(b) The Executive Director of the ~~Commission on~~ *Office of* Economic Development shall notify the county assessor of the county in which the business is located of the approval of the partial abatement, including, without limitation, the duration and percentage of the partial abatement that the ~~Commission~~ *Office* granted. The Executive Director shall, on or before April 15 of each year, advise the county assessor of each county in which a business qualifies for a partial abatement during the current fiscal year as to whether the business is still eligible for the partial abatement in the next succeeding fiscal year.

3. The partial abatement provided in this section applies only to the business for which certification was granted pursuant to NRS 360.750 and the property used in connection with that business. The exemption does not apply to property in this State that is not related to the business for which the certification was granted pursuant to NRS 360.750 or to property in existence and subject to taxation before the certification was granted.

4. As used in this section, "facility for the generation of electricity from recycled material" means a facility for the generation of electricity that uses recycled material as its primary fuel, including material from:

(a) Industrial or domestic waste, other than hazardous waste, even though it includes a product made from oil, natural gas or coal, such as plastics, asphalt shingles or tires;

(b) Agricultural crops, whether terrestrial or aquatic, and agricultural waste, such as manure and residue from crops; and

(c) Municipal waste, such as sewage and sludge.

➔ The term includes all the equipment in the facility used to process and convert into electricity the energy derived from a recycled material fuel.

**Sec. 72.** NRS 701A.360 is hereby amended to read as follows:

701A.360 1. A person who intends to locate a facility for the generation of process heat from solar renewable energy, a wholesale facility for the generation of electricity from renewable energy, a facility for the generation of electricity from geothermal resources or a facility for the transmission of electricity produced from renewable energy or geothermal resources in this State may apply to the Director for a partial abatement of the local sales and use taxes, the taxes imposed pursuant to chapter 361 of NRS, or both local sales and use taxes and taxes imposed pursuant to chapter 361 of NRS.



2. A facility that is owned, operated, leased or otherwise controlled by a governmental entity is not eligible for an abatement pursuant to NRS 701A.300 to 701A.390, inclusive.

3. As soon as practicable after the Director receives an application for a partial abatement, the Director shall submit the application to the Commissioner and forward a copy of the application to:

(a) The Chief of the Budget Division of the Department of Administration;

(b) The Department of Taxation;

(c) The board of county commissioners;

(d) The county assessor;

(e) The county treasurer; and

(f) The ~~Commission on~~ *Office of* Economic Development.

4. With the copy of the application forwarded to the county treasurer, the Director shall include a notice that the local jurisdiction may request a presentation regarding the facility. A request for a presentation must be made within 30 days after receipt of the application.

5. The Commissioner shall hold a public hearing on the application. The hearing must not be held earlier than 30 days after all persons listed in subsection 3 have received a copy of the application.

**Sec. 73.** NRS 701A.370 is hereby amended to read as follows:

701A.370 1. If the Commissioner approves an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, of:

(a) Property taxes imposed pursuant to chapter 361 of NRS, the partial abatement must:

(1) Be for a duration of the 20 fiscal years immediately following the date of approval of the application;

(2) Be equal to 55 percent of the taxes on real and personal property payable by the facility each year; and

(3) Not apply during any period in which the facility is receiving another abatement or exemption from property taxes imposed pursuant to chapter 361 of NRS, other than any partial abatement provided pursuant to NRS 361.4722.

(b) Local sales and use taxes:

(1) The partial abatement must:

(I) Be for the 3 years beginning on the date of approval of the application;

(II) Be equal to that portion of the combined rate of all the local sales and use taxes payable by the facility each year which exceeds 0.25 percent; and



(III) Not apply during any period in which the facility is receiving another abatement or exemption from local sales and use taxes.

(2) The Department of Taxation shall issue to the facility a document certifying the abatement which can be presented to retailers at the time of sale. The document must clearly state that the purchaser is only required to pay sales and use taxes imposed in this State at the rate of 2.25 percent.

2. Upon approving an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, the Commissioner shall immediately notify the Director of the terms of the abatement and the Director shall immediately forward a certificate of eligibility for the abatement to:

- (a) The Department of Taxation;
- (b) The board of county commissioners;
- (c) The county assessor;
- (d) The county treasurer; and
- (e) The ~~{Commission-on}~~ *Office of* Economic Development.

**Sec. 74.** NRS 701A.380 is hereby amended to read as follows:

701A.380 1. A partial abatement approved by the Commissioner pursuant to NRS 701A.300 to 701A.390, inclusive, terminates upon any determination by the Commissioner that the facility has ceased to meet any eligibility requirements for the abatement.

2. The Commissioner shall provide notice and a reasonable opportunity to cure any noncompliance issues before making a determination that the facility has ceased to meet those requirements.

3. The Commissioner shall immediately provide notice of each determination of termination to the Director, and the Director shall immediately provide a copy of the notice to:

- (a) The Department of Taxation, which shall immediately notify each affected local government of the determination;
- (b) The board of county commissioners;
- (c) The county assessor;
- (d) The county treasurer; and
- (e) The ~~{Commission-on}~~ *Office of* Economic Development.

**Sec. 75.** NRS 704.032 is hereby amended to read as follows:

704.032 The ~~{Commission-on}~~ *Office of* Economic Development may participate in proceedings before the Public Utilities Commission of Nevada concerning a public utility in the business of supplying electricity or natural gas to advocate the accommodation of the State Plan for ~~{Industrial Development and Diversification-}~~ *Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of*





1 *section 14 of this act.* The ~~[Commission-on]~~ *Office of* Economic  
2 Development may intervene as a matter of right in a proceeding  
3 pursuant to NRS 704.736 to 704.754, inclusive, or 704.991.

4 **Sec. 76.** NRS 704.223 is hereby amended to read as follows:

5 704.223 1. If a business with a new industrial load has been  
6 certified by the ~~[Commission-on]~~ *Office of* Economic Development  
7 pursuant to NRS 231.139, the Public Utilities Commission of  
8 Nevada may authorize a public utility that furnishes electricity for  
9 the business to purchase or transmit a portion of the electricity  
10 provided to the business to reduce the overall cost of the electricity  
11 to the business. The purchases of electricity may be made by the  
12 business with the new industrial load, by agreement between the  
13 public utility and the business or by the public utility on behalf of  
14 the business, and must be made in accordance with such rates, terms  
15 and conditions as are established by the Public Utilities Commission  
16 of Nevada.

17 2. If additional facilities are determined by the affected utility  
18 to be required as the result of authorization granted pursuant to  
19 subsection 1, the facilities must be constructed, owned and operated  
20 by the affected utility. The business must agree as a condition to the  
21 authorization granted pursuant to subsection 1 to continue its  
22 business in operation in Nevada for 30 years. The agreement must  
23 require appropriate security for the reimbursement of the utility for  
24 the remaining portion of the value of the facilities which has not  
25 been depreciated by the utility and will not be mitigated by use of  
26 the facilities for other customers in the event that the business, or its  
27 successor in interest, does not remain in operation for 30 years.

28 3. Nothing in this section authorizes the Federal Energy  
29 Regulatory Commission to order the purchase or transmittal of  
30 electricity in the manner described in subsection 1.

31 4. All of the rules, regulations and statutes pertaining to the  
32 Public Utilities Commission of Nevada and public utilities apply to  
33 actions taken pursuant to this section.

34 5. Any authorization granted by the Public Utilities  
35 Commission of Nevada pursuant to this section must include such  
36 terms and conditions as the Commission determines are necessary to  
37 ensure that the rates or charges assessed to other customers of the  
38 public utility do not subsidize the cost of providing service to the  
39 business.

40 **Sec. 77.** 1. On or before August 1, 2011, the Advisory  
41 Council on Economic Development created by section 8 of this act  
42 shall complete an analysis of the effectiveness of the programs of  
43 economic development in this State and the economic strengths and  
44 weaknesses of this State.



\* A B 4 4 9 \*

2. To conduct the analysis required by subsection 1, the Board shall organize teams, which may include, without limitation:

(a) An oversight team, consisting of the leaders of State Government and the Nevada System of Higher Education selected by the Board, to manage the work of conducting the analysis and evaluation and compile interim reports and a final report.

(b) A research team to work with the Nevada System of Higher Education and existing organizations for economic development to:

(1) Identify and analyze industry clusters and innovation opportunities in this State; and

(2) Evaluate the best practices of economic development programs nationwide.

(c) An infrastructure planning team to:

(1) Inventory existing infrastructure in this State; and

(2) Identify the improvements to the infrastructure in this State which are needed to aid and encourage the economic development of this State.

(d) A technology commercialization and capital planning team to:

(1) Research best practices for the commercialization of research and technology; and

(2) Engage businesses, entrepreneurs and investors to commercialize research and technology developed in this State.

(e) An economic impact analysis team to develop an investment prospectus for this State based on the work performed by the other teams.

(f) An external research validation team to recommend a consulting firm to be hired by the Board. Within the limits of legislative appropriations and through competitive bidding, the Board shall retain a qualified, independent consultant to validate the economic assumptions used by the teams and review completed economic analyses.

**Sec. 78.** NRS 231.015, 231.030, 231.040, 231.050, 231.070, 231.080, 231.090, 231.110, 231.130, 231.142 are hereby repealed.

**Sec. 79.** The Legislative Counsel shall:

1. In preparing the reprint and supplements to the Nevada Revised Statutes, appropriately change any references to an officer, agency or other entity whose name is changed or whose responsibilities are transferred pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity.

2. In preparing supplements to the Nevada Administrative Code, appropriately change any references to an officer, agency or other entity whose name is changed or whose responsibilities are transferred pursuant to the provisions of this act to refer to the appropriate officer, agency or other entity.



- 1     **Sec. 80.** 1. This section and sections 8, 77 and 79 of this act  
2 become effective upon passage and approval.  
3     2. Sections 1, 17, 24 to 45, inclusive, 47 to 76, inclusive, and  
4 78 of this act become effective on the date on which the Executive  
5 Director of the Office of Economic Development is appointed by  
6 the Governor pursuant to section 13 of this act.  
7     3. Sections 2 to 7, inclusive, 9 to 22, inclusive, and 46 of this  
8 act become effective on July 1, 2011.  
9     4. Section 9 of this act expires by limitation on the date on  
10 which the Executive Director of the Office of Economic  
11 Development is appointed by the Governor pursuant to section 13 of  
12 this act.  
13     5. Section 46 of this act expires by limitation on June 30, 2012.

---

---

### LEADLINES OF REPEALED SECTIONS

---

---

**231.015 Interagency Committee for Coordinating Tourism  
and Economic Development.**

**231.030 Creation; divisions.**

**231.040 Members: Appointment; qualifications.**

**231.050 Meetings; quorum; Secretary; removal of  
members.**

**231.070 Salary of members.**

**231.080 Executive Director: Qualifications; appointment;  
restrictions on other employment.**

**231.090 Executive Director: Powers and duties.**

**231.110 Employees.**

**231.130 Use of records and assistance of other state  
agencies.**

**231.142 “Commission” defined.**

