

## Amendment No. 478

Assembly Amendment to Assembly Bill No. 391

(BDR 58-1025)

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

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

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

KRO/TMC



Date: 4/17/2013

A.B. No. 391—Revises provisions relating to energy. (BDR 58-1025)



## ASSEMBLY BILL NO. 391—ASSEMBLYMEN DALY; AND BOBZIEN

MARCH 18, 2013

Referred to Committee on Commerce and Labor

SUMMARY—Revises provisions relating to energy. (BDR 58-1025)

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

~

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

AN ACT relating to energy; ~~revising provisions relating to wages paid to certain employees by persons who intend to locate certain renewable energy facilities in this State and who apply to the Director of the Office of Energy for a partial abatement of certain taxes;~~ providing that the amount of certain incentives issued by a utility for the installation of certain renewable energy systems on property owned or occupied by a public body may not be used to reduce the cost of the project so as to exempt the project from provisions governing competitive bidding for public works projects; requiring contractors who enter into contracts pursuant to the Green Jobs Initiative to make certain certifications to the Labor Commissioner concerning wages paid to employees who work on such projects; providing that certain utilities which are generally subject only to limited jurisdiction, control and regulation of the Public Utilities Commission of Nevada become subject to the full jurisdiction, control and regulation of the Commission under certain circumstances; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

~~Under existing law, a person who intends to locate certain facilities for the generation or transmission of electricity from renewable energy may apply to the Director of the Office of Energy for a partial abatement of certain taxes. An applicant for such an abatement must meet several requirements, including requirements concerning the wages which must be paid to the employees of the facility and the employees working on the construction of the facility. (NRS 701A.300-701A.390) Section 1 of this bill defines "wage" for this purpose to include the hourly rate of pay and the amount of benefits paid to an employee in a manner consistent with provisions of existing law governing public works projects. Section 4 of this bill revises provisions relating to the wages paid to employees working on the construction of such a facility to provide that contributions to a third person pursuant to a fund, plan or program in the name of an employee may satisfy a portion of the requirement that employees be paid a certain percentage of the prevailing wage.~~

**Sections 9 and 10** of this bill revise provisions relating to the installation of certain renewable energy systems on property owned or occupied by a public body to provide that the amount of any incentive issued by a utility for the installation of the renewable energy system

may not be used to reduce the cost of the project so as to exempt the project from provisions governing competitive bidding for public works projects.

**Section 11** of this bill requires any contractor or subcontractor who enters into a contract pursuant to the Green Jobs Initiative to provide written certification to the Labor Commissioner that the employees of the contractor or subcontractor who perform work under the contract are paid the prevailing wage required by the Initiative. (NRS 701B.900-701B.924)

Existing law provides that certain entities which are declared to be utilities but which provide services only to their members are subject only to limited jurisdiction, control and regulation of the Public Utilities Commission of Nevada. (NRS 704.675) **Section 12** of this bill provides that such a utility is subject to the full jurisdiction, control and regulation of the Commission if the Commission determines that the utility ~~has exceeded the scope of the services which the utility is authorized to provide pursuant to the~~ or any entity that is owned or controlled by the utility: (1) is being operated without a certificate of public convenience and necessity issued to the utility by the Commission, (2) is supplying services to persons other than its own members; (3) is offering services outside the geographic area for which it holds a certificate of public convenience and necessity; (4) qualifies as a public utility or utility under applicable law outside the geographic area for which it holds a certificate of public convenience and necessity; or (5) has otherwise violated certain provisions of law relating to utilities.

---

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

**Section 1.** ~~[Chapter 701A of NRS is hereby amended by adding thereto a new section to read as follows:~~

~~“Wage” means:~~

~~1. The basic hourly rate of pay; and~~

~~2. The amount of pension, health and welfare, vacation and holiday pay, the cost of apprenticeship training or other similar programs or other bona fide fringe benefits which are a benefit to the employee.] (Deleted by amendment.)~~

**Sec. 2.** ~~[NRS 701A.300 is hereby amended to read as follows:~~

~~701A.300 As used in NRS 701A.300 to 701A.390, inclusive, and section 1 of this act, unless the context otherwise requires, the words and terms defined in NRS 701A.305 to 701A.345, inclusive, and section 1 of this act have the meanings ascribed to them in those sections.] (Deleted by amendment.)~~

**Sec. 3.** ~~[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 [1], and section 1 of this act.~~

~~3. As soon as practicable after the Director receives an application for a partial abatement, the Director shall 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 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 Director 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.~~ **(Deleted by amendment.)**

**Sec. 4. NRS 701A.365 is hereby amended to read as follows:**

~~701A.365 1. Except as otherwise provided in subsection 2, the Director, in consultation with the Office of Economic Development, shall approve an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, and section 1 of this act if the Director, in consultation with the Office of Economic Development, makes the following determinations:~~

~~(a) The applicant has executed an agreement with the Director which must:~~  
~~(1) State that the facility will, after the date on which a certificate of eligibility for the abatement is issued pursuant to NRS 701A.370, continue in operation in this State for a period specified by the Director, which must be at least 40 years, and will continue to meet the eligibility requirements for the abatement; and~~

~~(2) Bind the successors in interest in the facility for the specified period.~~  
~~(b) The facility 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 facility operates.~~

~~(c) No funding is or will be provided by any governmental entity in this State for the acquisition, design or construction of the facility or for the acquisition of any land therefor, except any private activity bonds as defined in 26 U.S.C. § 141.~~

~~(d) If the facility will be located in a county whose population is 100,000 or more or a city whose population is 60,000 or more, the facility meets the following requirements:~~

~~(1) There will be 75 or more full time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the Director for good cause, at least 30 percent who are residents of Nevada;~~

~~(2) Establishing the facility will require the facility to make a capital investment of at least \$10,000,000 in this State;~~

~~(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and~~

~~(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, 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] the employees working on the construction of the facility [must] will be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees. ; and~~

~~(H) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the Director by regulation pursuant to NRS 701A.300.]~~

~~(c) If the facility will be located in a county whose population is less than 100,000 or a city whose population is less than 60,000, the facility meets the following requirements:~~

~~(1) There will be 50 or more full-time employees working on the construction of the facility during the second quarter of construction, including, unless waived by the Director for good cause, at least 30 percent who are residents of Nevada;~~

~~(2) Establishing the facility will require the facility to make a capital investment of at least \$3,000,000 in this State;~~

~~(3) The average hourly wage that will be paid by the facility to its employees in this State is at least 110 percent of the average statewide hourly wage, excluding management and administrative employees, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year; and~~

~~(4) The average hourly wage of the employees working on the construction of the facility will be at least 150 percent of the average statewide hourly wage, excluding management and administrative employees, 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] the employees working on the construction of the facility [must] will be provided a health insurance plan that includes an option for health insurance coverage for dependents of the employees. [; and~~

~~(H) The cost of the benefits provided to the employees working on the construction of the facility will meet the minimum requirements for benefits established by the Director by regulation pursuant to NRS 701A.300.]~~

~~(f) The financial benefits that will result to this State from the employment by the facility of the residents of this State and from capital investments by the facility in this State will exceed the loss of tax revenue that will result from the abatement.~~

~~(g) The facility is consistent with the State Plan for Economic Development developed by the Executive Director of the Office of Economic Development pursuant to subsection 2 of NRS 221.053.~~

~~2. The Director shall not approve an application for a partial abatement of the taxes imposed pursuant to chapter 361 of NRS submitted pursuant to NRS 701A.360 by a facility for the generation of electricity from geothermal resources unless the application is approved pursuant to this subsection. The board of county commissioners of a county must approve or deny the application not later than 30 days after the board receives a copy of the application. The board of county commissioners must not condition the approval of the application on a requirement that the facility for the generation of electricity from geothermal resources agree to purchase, lease or otherwise acquire in its own name or on behalf of the county any infrastructure, equipment, facilities or other property in the county that is not directly related to or otherwise necessary for the construction and operation of the facility. If the board of county commissioners does not approve or deny the application within 30 days after the board receives the application, the application shall be deemed denied.~~

~~3. Notwithstanding the provisions of subsection 1, the Director, in consultation with the Office of Economic Development, may, if the Director, in consultation with the Office, determines that such action is necessary:~~

~~(a) Approve an application for a partial abatement for a facility that does not meet the requirements set forth in paragraph (d) or (e) of subsection 1; or~~

~~(b) Add additional requirements that a facility must meet to qualify for a partial abatement.~~

~~4. The obligation of an applicant to pay to the employees working on the construction of the facility the wage required by subparagraph (4) of paragraph (d) of subsection 1 or subparagraph (4) of paragraph (c) of subsection 1 may be discharged in part by making contributions to a third person pursuant to a fund, plan or program in the name of the employee in the manner provided in NRS 338.035.~~

~~5. The Director shall cooperate with the Office of Economic Development in carrying out the provisions of this section.~~

~~[5.] 6. The Director shall submit to the Office of Economic Development an annual report, at such a time and containing such information as the Office may require, regarding the partial abatements granted pursuant to this section.] (Deleted by amendment.)~~

**Sec. 5.** ~~NRS 701A.370 is hereby amended to read as follows:~~

~~701A.370 1. If the Director approves an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, and section 1 of this act 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 361.472.~~

~~(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, and section 1 of this act, 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 Office of Economic Development.] (Deleted by amendment.)~~

**Sec. 6.** ~~NRS 701A.380 is hereby amended to read as follows:~~

~~701A.380 1. A partial abatement approved by the Director pursuant to NRS 701A.300 to 701A.390, inclusive, and section 1 of this act terminates upon any determination by the Director that the facility has ceased to meet any eligibility requirements for the abatement.~~

~~2. The Director 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 Director shall immediately provide notice of each determination of termination 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 Office of Economic Development.~~

~~4. A facility whose partial abatement is terminated pursuant to this section shall repay to:~~

~~(a) The county treasurer the amount of the exemption from property taxes imposed pursuant to chapter 361 of NRS; and~~

~~(b) The Department of Taxation the amount of the exemption from local sales and use taxes;~~

~~that was allowed pursuant to this section before the date of that termination. Except as otherwise provided in NRS 360.232 and 360.320, the facility 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. (Deleted by amendment.)~~

**Sec. 7.** ~~[NRS 701A.385 is hereby amended to read as follows:~~

~~701A.385 Notwithstanding any statutory provision to the contrary, if the Director approves an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, and section 1 of this act of:~~

~~1. Property taxes imposed pursuant to chapter 361 of NRS, the amount of all the property taxes which are collected from the facility for the period of the abatement must be allocated and distributed in such a manner that:~~

~~(a) Forty five percent of that amount is deposited in the Renewable Energy Fund created by NRS 701A.450; and~~

~~(b) Fifty five percent of that amount is distributed to the local governmental entities that would otherwise be entitled to receive those taxes in proportion to the relative amount of those taxes those entities would otherwise be entitled to receive.~~

~~2. Local sales and use taxes, the State Controller shall allocate, transfer and remit an amount equal to all the sales and use taxes imposed in this State and collected from the facility for the period of the abatement in the same manner as if that amount consisted solely of the proceeds of taxes imposed by NRS 374.110 and 374.190. (Deleted by amendment.)~~

**Sec. 8.** ~~[NRS 701A.390 is hereby amended to read as follows:~~

~~701A.390 The Director:~~

~~1. Shall adopt regulations:~~

~~(a) [Prescribing the minimum level of benefits that a facility must provide to its employees if the facility is going to use benefits paid to employees as a basis to qualify for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive;~~

~~(b)] Prescribing such requirements for an application for a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, and section 1 of this act as will ensure that all information and other documentation necessary for the Director, in consultation with the Office of Economic Development, to make an appropriate determination is filed with the Director;~~

~~[(e)] (b) Requiring each recipient of a partial abatement pursuant to NRS 701A.300 to 701A.390, inclusive, and section 1 of this act to file annually with the Director such information and documentation as may be necessary for the Director to determine whether the recipient is in compliance with any eligibility requirements for the abatement; and~~

~~[(d)] (c) Regarding the capital investment that a facility must make to meet the requirement set forth in paragraph (d) or (e) of subsection 1 of NRS 701A.265; and~~  
~~2. May adopt such other regulations as the Director determines to be necessary to carry out the provisions of NRS 701A.300 to 701A.390, inclusive [;], and section 1 of this act.] (Deleted by amendment.)~~

**Sec. 9.** NRS 701B.265 is hereby amended to read as follows:

701B.265 1. The installation of a solar energy system on property owned or occupied by a public body pursuant to NRS 701B.010 to 701B.290, inclusive, shall be deemed to be a public work for the purposes of chapters 338 and 341 of NRS, regardless of whether the installation of the solar energy system is financed in whole or in part by public money.

2. The amount of any incentive issued by a utility relating to the installation of a solar energy system on property owned or occupied by a public body may not be used to reduce the cost of the project to an amount which would exempt the project from ~~the~~ any requirements of *chapter 338 of NRS* . ~~{338.020 to 338.090, inclusive.}~~

3. As used in this section, “public body” means the State or a county, city, town, school district or any public agency of this State or its political subdivisions.

**Sec. 10.** NRS 701B.625 is hereby amended to read as follows:

701B.625 1. The installation of a wind energy system on property owned or occupied by a public body pursuant to NRS 701B.400 to 701B.650, inclusive, shall be deemed to be a public work for the purposes of chapters 338 and 341 of NRS, regardless of whether the installation of the wind energy system is financed in whole or in part by public money.

2. The amount of any incentive issued by a utility relating to the installation of a wind energy system on property owned or occupied by a public body may not be used to reduce the cost of the project to an amount which would exempt the project from ~~the~~ any requirements of *chapter 338 of NRS* . ~~{338.020 to 338.090, inclusive.}~~

3. As used in this section, “public body” means the State or a county, city, town, school district or any public agency of this State or its political subdivisions.

**Sec. 11.** NRS 701B.924 is hereby amended to read as follows:

701B.924 1. The State Public Works Board shall, within 90 days after June 9, 2009, determine the specific projects to weatherize and retrofit public buildings, facilities and structures, including, without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures pursuant to the provisions of this section and NRS 701B.921. The projects must be prioritized and selected on the basis of the following criteria:

(a) The length of time necessary to commence the project.

(b) The number of workers estimated to be employed on the project.

(c) The effectiveness of the project in reducing energy consumption.

(d) The estimated cost of the project.

(e) Whether the project is able to be powered by or to otherwise use sources of renewable energy.

(f) Whether the project has qualified for participation in one or more of the following programs:

(1) The Solar Energy Systems Incentive Program created by NRS 701B.240;



(2) The Renewable Energy School Pilot Program created by NRS 701B.350;

(3) The Wind Energy Systems Demonstration Program created by NRS 701B.580;

(4) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820; or

(5) An energy efficiency or energy conservation program offered by a public utility, as defined in NRS 704.020, pursuant to a plan approved by the Public Utilities Commission of Nevada pursuant to NRS 704.741.

2. The board of trustees of each school district shall, within 90 days after June 9, 2009, determine the specific projects to weatherize and retrofit public buildings, facilities and structures, including, without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures pursuant to the provisions of this section and NRS 701B.921. The projects must be prioritized and selected on the basis of the following criteria:

(a) The length of time necessary to commence the project.

(b) The number of workers estimated to be employed on the project.

(c) The effectiveness of the project in reducing energy consumption.

(d) The estimated cost of the project.

(e) Whether the project is able to be powered by or to otherwise use sources of renewable energy.

(f) Whether the project has qualified for participation in one or more of the following programs:

(1) The Solar Energy Systems Incentive Program created by NRS 701B.240;

(2) The Renewable Energy School Pilot Program created by NRS 701B.350;

(3) The Wind Energy Systems Demonstration Program created by NRS 701B.580;

(4) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820; or

(5) An energy efficiency or energy conservation program offered by a public utility, as defined in NRS 704.020, pursuant to a plan approved by the Public Utilities Commission of Nevada pursuant to NRS 704.741.

3. The Board of Regents of the University of Nevada shall, within 90 days after June 9, 2009, determine the specific projects to weatherize and retrofit public buildings, facilities and structures, including, without limitation, traffic-control systems, and to otherwise use sources of renewable energy to serve those buildings, facilities and structures pursuant to the provisions of this section and NRS 701B.921. The projects must be prioritized and selected on the basis of the following criteria:

(a) The length of time necessary to commence the project.

(b) The number of workers estimated to be employed on the project.

(c) The effectiveness of the project in reducing energy consumption.

(d) The estimated cost of the project.

(e) Whether the project is able to be powered by or to otherwise use sources of renewable energy.

(f) Whether the project has qualified for participation in one or more of the following programs:

(1) The Solar Energy Systems Incentive Program created by NRS 701B.240;

(2) The Renewable Energy School Pilot Program created by NRS 701B.350;

(3) The Wind Energy Systems Demonstration Program created by NRS 701B.580;

(4) The Waterpower Energy Systems Demonstration Program created by NRS 701B.820; or

(5) An energy efficiency or energy conservation program offered by a public utility, as defined in NRS 704.020, pursuant to a plan approved by the Public Utilities Commission of Nevada pursuant to NRS 704.741.

4. As soon as practicable after an entity described in subsections 1, 2 and 3 selects a project, the entity shall proceed to enter into a contract with one or more contractors to perform the work on the project. The request for proposals and all contracts for each project must include, without limitation:

(a) Provisions stipulating that all employees of the contractors and subcontractors who work on the project must be paid prevailing wages pursuant to the requirements of chapter 338 of NRS ~~and~~ *and requiring that each contractor and subcontractor certify to the Labor Commissioner in writing that all employees of the contractor or subcontractor who work on the project are paid prevailing wages as required by this paragraph;*

(b) Provisions requiring that each contractor and subcontractor employed on each such project:

(1) Employ a number of persons trained as described in paragraph (b) of subsection 3 of NRS 701B.921 that is equal to or greater than 50 percent of the total workforce the contractor or subcontractor employs on the project; or

(2) If the Director of the Department determines in writing, pursuant to a request submitted by the contractor or subcontractor, that the contractor or subcontractor cannot reasonably comply with the provisions of subparagraph (1) because there are not available a sufficient number of such trained persons, employ a number of persons trained as described in paragraph (b) of subsection 3 of NRS 701B.921 or trained through any apprenticeship program that is registered and approved by the State Apprenticeship Council pursuant to chapter 610 of NRS that is equal to or greater than 50 percent of the total workforce the contractor or subcontractor employs on the project;

(c) A component pursuant to which persons trained as described in paragraph (b) of subsection 3 of NRS 701B.921 must be classified and paid prevailing wages depending upon the classification of the skill in which they are trained; and

(d) A component that requires each contractor or subcontractor to offer to employees working on the project, and to their dependents, health care in the same manner as a policy of insurance pursuant to chapters 689A and 689B of NRS or the Employee Retirement Income Security Act of 1974.

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

**Sec. 12.** NRS 704.675 is hereby amended to read as follows:

704.675 ~~Every~~

*1. Except as otherwise provided in subsection 2, every* cooperative association or nonprofit corporation or association and every other supplier of services described in this chapter supplying those services for the use of its own members only is hereby declared to be affected with a public interest, to be a public utility, and to be subject to the jurisdiction, control and regulation of the Commission for the purposes of NRS 703.191, 704.330, 704.350 to 704.410, inclusive, but not to any other jurisdiction, control and regulation of the Commission or to the provisions of any section not specifically mentioned in this ~~section.~~ *subsection.*

2. The limitations set forth in subsection 1 governing the applicability of this chapter and the jurisdiction, control and regulation of the Commission do not apply to a cooperative association, nonprofit corporation or association or any other supplier of services described in this chapter that supplies those services for the use of its own members if the Commission determines that the cooperative association, nonprofit corporation or association or ~~any~~ other supplier of services ~~is~~ described in this chapter, or any entity that is owned or controlled by the cooperative association, nonprofit corporation or association or other supplier of services:

(a) Is being operated without a certificate of public convenience and necessity as required by NRS 704.330;

(b) Is supplying those services to persons other than its own members;

(c) Is offering those services outside the geographic area for which it holds a certificate of public convenience and necessity issued by the Commission;

(d) Qualifies as a public utility or utility under NRS 704.020 outside the geographic area for which it holds a certificate of public convenience and necessity issued by the Commission; or ~~has~~

(e) Has otherwise violated any provision of ~~that section.~~ NRS 704.330.

Sec. 13. 1. This act becomes effective on October 1, 2013.

2. Section 1 of this act expires by limitation on June 30, 2049.