

**MINUTES OF THE
SENATE COMMITTEE ON REVENUE AND ECONOMIC DEVELOPMENT**

**Seventy-ninth Session
June 1, 2017**

The Senate Committee on Revenue and Economic Development was called to order by Chair Julia Ratti at 5:31 p.m. on Thursday, June 1, 2017, in Room 2135 of the Legislative Building, Carson City, Nevada. The meeting was videoconferenced to Room 4412E of the Grant Sawyer State Office Building, 555 East Washington Avenue, Las Vegas, Nevada. [Exhibit A](#) is the Agenda. [Exhibit B](#) is the Attendance Roster. All exhibits are available and on file in the Research Library of the Legislative Counsel Bureau.

COMMITTEE MEMBERS PRESENT:

Senator Julia Ratti, Chair
Senator Aaron D. Ford, Vice Chair
Senator David R. Parks
Senator Ben Kieckhefer
Senator Michael Roberson
Senator Patricia Farley

COMMITTEE MEMBERS ABSENT:

Senator Heidi S. Gansert (Excused)

GUEST LEGISLATORS PRESENT:

Assemblywoman Daniele Monroe-Moreno, Assembly District No. 1
Assemblywoman Heidi Swank, Assembly District No. 16

STAFF MEMBERS PRESENT:

Joe Reel, Deputy Fiscal Analyst
Colleen Lennox, Committee Secretary
Lex Thompson, Committee Secretary

OTHERS PRESENT:

Wes Henderson, Executive Director, Nevada League of Cities and Municipalities
Kathy Clewett, City of Sparks

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Tray Abney, The Chamber
Paul Moradkhan, Las Vegas Chamber of Commerce
Connor Cain, Nevada Bankers Association
Scott W. Anderson, Chief Deputy, Office of the Secretary of State

CHAIR RATTI:

We have two bills on the agenda today, Assembly Bill (A.B.) 417 and A.B. 436. Assemblywoman Heidi Swank will present A.B. 417.

ASSEMBLY BILL 417 (2nd Reprint): Creates the Nevada Main Street Program within the Office of Economic Development in the Office of the Governor. (BDR 18-1053)

ASSEMBLY BILL 436 (2nd Reprint): Revises provisions governing business. (BDR 18-1079)

ASSEMBLYWOMAN HEIDI SWANK (Assembly District No. 16):

I am here to present A.B. 417 that creates a Nevada Main Street Program. The Main Street Program was established in 1980 as part of the National Trust for Historic Preservation. The Main Street Program is a network of coordinating programs and local communities. It encourages revitalization of local downtowns relying on historic preservation and economic development strategies. The program has grown since 1980. Today, only eight states do not have a Main Street Program and Nevada is one of those.

The most notable effect for these programs is on small towns, but that does not mean it does not impact larger cities. Water Street in Henderson could definitely benefit from this program as could Virginia Street in Reno and Main Street in Las Vegas. Everybody has a Main Street, right?

The National Main Street Center is the umbrella central organization, a large overarching organization, with the National Trust. The National Main Street Center holds conferences, workshops, awards grants, offers training and helps with hiring at the state level. They do program evaluations and support local communities in applying to become a local Main Street Community. Underneath that overarching organization at the state level is one coordinator.

Part of A.B. 417 puts in place one full-time employee (FTE) in the Governor's Office of Economic Development (GOED). The State must commit to one FTE

for the Executive Director of the Nevada Main Street Program. The position facilitates the flow of information and programs between the National Main Street Center and local communities. The FTE provides onsite visits, training, orientation for local executive directors, vision development, commercial district revitalization workshops, year-end assessments and reviews, among other things.

Recipients at the bottom of this are local communities from the National Main Street Center. The Main Street Programs can be run by the city or county, but can also be run by a nonprofit entity located within that jurisdiction. Local communities can attend conferences and orientations. The communities develop a work plan and implement it. This program is about taking older downtowns and finding ways to rehabilitate and revitalize older buildings.

Main Street has been successful across the Country. It is one of the more successful economic development strategies in the U.S. Since 1980, there has been a rehabilitation of over 246,000 buildings. It has generated almost \$60 million in new investment with a net gain of over 500,000 new jobs and 115,000 new businesses. An example of the Main Street Program is the community of Rawlins, Wyoming. They have a population of about 9,000 people. Since Rawlins implemented the Main Street Program, its building vacancy rate downtown went from over 40 percent down to 10 percent. The town created over 200 new jobs and 28 new businesses. We have many towns in Nevada that size and smaller that could benefit from this program.

Downtowns are usually places that have many older buildings and mom-and-pop businesses. Downtowns play a significant role in creating communities where people want to live. People want communities with a mix of new and old buildings with vibrant businesses. Old buildings are only worth keeping if we can get them back to working order. It does no good to have an old building sitting there not doing anything. The Main Street Program has demonstrated successes in doing this. All of our downtowns across Nevada can significantly benefit from bringing the Main Street Program to our State.

WES HENDERSON (Executive Director, Nevada League of Cities and Municipalities):

I would like to thank Assemblywoman Swank for bringing this bill. The Nevada League of Cities and Municipalities had a similar bill, S.B. No. 51 of the 78th Legislative Session.

One of the neat things about my job is I get to travel the State and go to every city. I see areas in every city where a Main Street Program could be beneficial. This Program is good for tourism, economic development, historic preservation and the economies and quality of life of Nevada's cities.

During the hearing in the 2015 Session, Patrice Frey, President and CEO of the National Main Street Center, Inc., pointed out in her testimony that for every public dollar spent, there is nationwide average return of \$33. This is an investment in the State. I can say on record, all the cities in Nevada are in support of this bill.

SENATOR FARLEY:

I love this Program and have seen the benefits in other states. It equals jobs and tourism. Hopefully, this Legislative Session the Main Street Program will be successful.

SENATOR KIECKHEFER:

Is the Program still within GOED, or has it been moved out of there?

ASSEMBLYWOMAN SWANK:

Originally, it was in the Department of Tourism and Cultural Affairs. We received a call from GOED asking if we would be willing to move it there. We were happy to do so. The Program often resides in different areas of departments at the state level. Economic development is often one as well as tourism. It just depends where the state would like the Program to be.

SENATOR KIECKHEFER:

I was curious because it is a Program that is streamlined through the National Endowment for the Humanities.

ASSEMBLYWOMAN SWANK:

It is through the National Trust for Historic Preservation. We did a survey trying to figure out where the best fit would be. The Main Street Program is historic preservation light and economic development heavy. The two most common places these Programs are located are the department of economic development and department of tourism. It is not so much about preservation as it is about promotion and branding of these areas that happen to have older buildings.

KATHY CLEWETT (City of Sparks):

We support A.B. 417. Sparks has a vibrant yet weary area. The area is our old downtown area, Victorian Square. This area is the main location for small as well as large special events like the Best in the West Rib Cook-Off. It is also the area where growth is occurring with over 1,500 living units being built. Passage of this bill would allow our current and future business owners and people moving into the area to keep the momentum going.

Business owners have created an organization to promote the area by bringing in a more robust arts program. The Main Street Program would allow this group and the City of Sparks to take it to the next level.

CHAIR RATTI:

One redevelopment area in the City of Sparks is the oldest redevelopment area in this State. I agree with the word weary. I looked into the Main Street Program years ago. We could not participate because there was not a State office. I am excited to see this coming forward on behalf of Victorian Square.

SENATOR KIECKHEFER MOVED TO DO PASS A.B. 417.

SENATOR FARLEY SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR RATTI:

We are going to open the hearing on A.B. 436.

ASSEMBLYWOMAN DANIELE MONROE-MORENO (Assembly District No. 1):

In the interest of time, I will not do the presentation ([Exhibit C](#)) you have before you as well as the summary of A.B. 436.

Small business is the heart of our communities. In the last few years in my district, I have seen businesses come and go. In talking to our small business owners, I ask what they feel the pressing issues are and why they are having difficulty staying in business. A number of them said financing, getting the resources you need to open your business and then sustaining your business.

During my campaign, I created something called Second Friday. On the second Friday of the month, I was out walking neighborhoods. I was knocking on doors, not asking people about my campaign but asking them to go to that small business we were highlighting each month in my district. I truly believe when small businesses are doing well, we are doing well as a community. They hire from within.

When I came to this Session, my initial thought was "let us have a bill bringing more money into the community." However, in researching and being in the Assembly Committee on Government Affairs listening to hearings, I realized there are resources the State has for small businesses. The problem is not getting the word out. A lot of the small business owners did not know about opportunities and resources out there.

Every year, you have to apply for your business license when you start your business and again to renew it. You get a business license, but what else do you get? The key was giving our business owners the resources when they apply for their business licenses. What is available in our State? Working with GOED and the Secretary of State's Office (SOS), we came up with A.B. 436.

When a person applies for their business license, he or she will get the information of resources available in our State. Quarterly reports will be sent out by GOED about what opportunities are there. For the State, it would be the public entities. For the Regional Business Development Advisory Council for Clark County, for example, it would be both those public and private resources that have been vetted. There was a fiscal note originally on the bill; however, working with the SOS, we were able to get that to zero. It is a straightforward bill, simply giving our businesses the tools they need to start and to succeed in business.

CHAIR RATTI:

It is very straightforward, brilliant in its simplicity perhaps.

TRAY ABNEY (The Chamber):

We thank Assemblywoman Monroe-Moreno for bringing forward this bill. This morning in Assembly Ways and Means, we heard Majority Leader Aaron D. Ford's Senate Bill (S.B.) 126.

SENATE BILL 126 (2nd Reprint): Establishes a program to provide loans to small business enterprises, minority-owned business enterprises, women-owned business enterprises and disadvantaged business enterprises. (BDR 18-21)

It deals with the same subject. Small business owners have difficulty finding funding for their operations. With S.B. 126 and A.B. 436 to provide as much information as possible to them and help connect them to that funding is a good thing.

PAUL MORADKHAN (Las Vegas Chamber of Commerce):

I concur with Mr. Abney, this bill along with Majority Leader Ford's bill S.B. 126 and Assemblywoman Dina Neal's bill A.B. 94, really complement addressing small business community issues.

ASSEMBLY BILL 94 (2nd Reprint): Repeals the prospective expiration of the NV Grow Program. (BDR S-217)

We want to thank all these bill sponsors and the work done by Assemblywoman Monroe-Moreno to get us here today.

CONNOR CAIN (Nevada Bankers Association):

We support this bill. This information is critical to help certain small businesses, giving them the financing they need to be successful.

SCOTT W. ANDERSON (Chief Deputy, Office of the Secretary of State):

On behalf of Secretary of State Barbara Cegavske, we appreciate the work Assemblywoman Monroe-Moreno has done with us on A.B. 436. She worked very hard in coming up with a resolution that would eliminate any type of fiscal impact on the State. We were able to assist through our Silver Flume business portal and through our online services.

SENATOR KIECKHEFER:

You are going to be doing an amendment to the existing Silver Flume platform? Is that right?

MR. ANDERSON:

Yes, it would be through Silver Flume. We are also going to put a page on our normal Website with all these resources and links, making that information available to not only small businesses but everybody.

SENATOR KIECKHEFER:

There are no programming costs associated with the Silver Flume, or it can be incorporated into existing contract language?

MR. ANDERSON:

It would be incorporated into our Electronic Secretary of State platform and current costs.

CHAIR RATTI:

I would like to enter three letters of support ([Exhibit D](#), [Exhibit E](#) and [Exhibit F](#)).

SENATOR KIECKHEFER MOVED TO DO PASS A.B. 436.

SENATOR FORD SECONDED THE MOTION.

THE MOTION PASSED UNANIMOUSLY.

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CHAIR RATTI:

Seeing no public comment, the meeting is adjourned at 5:49 p.m.

RESPECTFULLY SUBMITTED:

Lex Thompson,
Committee Secretary

APPROVED BY:

Senator Julia Ratti, Chair

DATE: _____

EXHIBIT SUMMARY				
Bill	Exhibit / # of pages		Witness / Entity	Description
	A	1		Agenda
	B	4		Attendance Roster
A.B. 436	C	11	Assemblywoman Daniele Monroe-Moreno	Presentation
A.B. 436	D	1	Aviva Gordon; Amber Stidham / Henderson Chamber of Commerce	Letter of Support
A.B. 436	E	1	Phyllis Gurgevich / Nevada Bankers Association	Letter of Support
A.B. 436	F	1	Winnie M. Dowling / Nevada Small Business Development Center / University of Nevada, Reno	Letter of Support