

SENATE BILL NO. 24—COMMITTEE ON
REVENUE AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE OFFICE OF ECONOMIC DEVELOPMENT
IN THE OFFICE OF THE GOVERNOR)

PREFILED NOVEMBER 18, 2020

Referred to Committee on Revenue and
Economic Development

SUMMARY—Revises provisions relating to workforce
development. (BDR 18-289)

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

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

AN ACT relating to workforce development; revising requirements governing the approval of a program of workforce development by the Office of Economic Development; revising provisions governing the distribution and use of money provided by the Office to defray the cost of certain programs of workforce development; revising provisions governing the administration of the Workforce Innovations for a New Nevada Account; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law requires the Office of Economic Development to develop and implement one or more programs to provide customized workforce development services to persons that create and expand businesses in Nevada and relocate businesses to Nevada. (NRS 231.055)

Existing law authorizes a person who wishes to provide a program of workforce recruitment, assessment and training to apply to the Office for approval of the program. (NRS 231.1467) **Section 1** of this bill revises the information which must be included in an application for approval to provide a program of workforce recruitment, assessment and training. **Section 1** also: (1) requires a program of workforce recruitment, assessment and training approved by the Office to result in certain credentials or an identifiable occupational skill; (2) requires the Office to ensure that any business for which the program will be provided meets certain requirements; (3) revises the criteria which the Office must consider in



giving priority to approved providers of programs of workforce recruitment, assessment and training for receipt of allocations, grants or loans of money from the Office to defray the cost of the program; and (4) revises provisions governing the use of money distributed to defray the cost of a program of workforce recruitment, assessment and training.

Existing law authorizes a person who operates a business, or who will operate a business, in this State to apply to the Office for approval of a program of workforce training. (NRS 231.147) **Section 3** of this bill specifies that such a program must be a program for the training of incumbent employees of the business that will result in certain credentials or identifiable occupational skills being obtained by the incumbent employees. **Section 3** also revises the information which must be included in an application for approval of such a program.

Existing law creates the Workforce Innovations for a New Nevada Account and provides that any income and interest earned on money in the Account must be credited to the Account. (NRS 231.151) **Section 4** of this bill provides that any income and interest earned on money in the Account must be credited to the Account only after deducting any applicable charges.

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

Section 1. NRS 231.1467 is hereby amended to read as follows:

231.1467 1. A person who wishes to provide a program of workforce recruitment, assessment and training may apply to the Office for approval of the program. The application must be submitted on a form prescribed by the Office.

2. Each application must include:

(a) The name, address , *electronic mail address* and telephone number of the applicant;

(b) The name of each business for which the applicant will provide the proposed program of workforce recruitment, assessment and training;

(c) A statement of the objectives of the proposed program of workforce recruitment, assessment and training;

(d) *A description of the primary economic sector to be served by the proposed program of workforce recruitment, assessment and training;*

(e) *Evidence of workforce shortages within the industry to be served by the proposed program of workforce recruitment, assessment and training;*

(f) *Evidence that there is an insufficient number of existing programs to develop the workforce needed for the industry to be served by the proposed program of workforce recruitment, assessment and training;*

(g) *A statement of the number and types of jobs with the business for which the applicant will provide the proposed*



1 program of workforce recruitment, assessment and training, that
2 are available or will be available upon completion of the proposed
3 program;

4 (h) A statement demonstrating the past performance of the
5 applicant in providing programs of workforce development,
6 including, without limitation:

7 (1) The number and type of credentials and certifications
8 issued by programs of workforce development provided by the
9 applicant; and

10 (2) The number of businesses successfully served by the
11 programs of workforce development provided by the applicant;

12 (i) A proposed plan for the provision of the proposed program
13 of workforce recruitment, assessment and training on a statewide
14 basis;

15 (j) A list of facilities that will be used by the proposed program
16 of workforce recruitment, assessment and training;

17 (k) A projection of the number of primary jobs that will be
18 served by the proposed program of workforce recruitment,
19 assessment and training and the wages for those jobs;

20 (l) Evidence satisfactory to the Office that the proposed
21 program of workforce recruitment, assessment and training is
22 consistent with the unified state plan submitted by the Governor to
23 the Secretary of Labor pursuant to 29 U.S.C. § 3112;

24 (m) A workforce diversity action plan; ~~and~~

25 ~~—(e)—~~ (n) The estimated cost of the proposed program of
26 workforce recruitment, assessment and training ~~H~~;

27 (o) A statement by the business for which the applicant will
28 provide the proposed program of workforce recruitment,
29 assessment and training, which commits the business to report to
30 the Office required performance metrics to enable the Office to
31 comply with NRS 231.1513;

32 (p) A report from each business for which the applicant will
33 provide the proposed program of workforce recruitment,
34 assessment and training, which sets forth the basis for any
35 furloughs or layoffs conducted by the business in the 12 months
36 immediately preceding the date of the application for the job
37 categories related to the proposed program of workforce
38 recruitment, assessment and training; and

39 (q) Any other information requested by the Executive Director.

40 3. Any program of workforce recruitment, assessment and
41 training approved by the Office pursuant to this section must:

42 (a) Include a workforce diversity action plan approved by the
43 Office; ~~and~~



(b) To the extent practicable, be provided on a statewide basis to support the industrial and economic development of all geographic areas of this State ~~H~~ ; and

(c) Result in a postsecondary or industry-recognized credential, or an identifiable occupational skill that meets the applicable industry standard.

4. The Office shall:

(a) Maintain on the Internet website of the Office a list of the criteria for evaluating applications for approval of a program of workforce recruitment, assessment and training;

(b) Ensure, through coordination with relevant state agencies and by reviewing any notices required pursuant to the federal Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§ 2101 et. seq., and the regulations adopted pursuant thereto, that each business for which an applicant that submitted an application pursuant to this section will provide a program of workforce recruitment, assessment and training:

(1) Is in compliance with the laws of this State pertaining to the conduct of businesses and employers;

(2) Is not excluded from receiving contracts from the Federal Government as a result of being debarred; and

(3) Has included in the report submitted pursuant to paragraph (p) of subsection 2 the basis for each furlough or layoff conducted in the 12 months immediately preceding the date of the application for the job categories related to the proposed program of workforce recruitment, assessment and training;

(c) Approve or disapprove each application for approval of a program of workforce recruitment, assessment and training within 60 days after receiving a complete application; and

~~H(e)~~ (d) Provide notice of the approval or disapproval of each application to the applicant within 10 days after approving or disapproving the application.

5. An authorized provider that provides a program of workforce recruitment, assessment and training approved by the Office pursuant to this section or the governing body of a local government within the jurisdiction of which the authorized provider will provide the program may apply to the Office for an allocation, grant or loan of money to defray in whole or in part the cost of the program. The application must be submitted on a form prescribed by the Office.

6. The Office shall approve or deny each application for an allocation, grant or loan of money submitted pursuant to subsection 5 within 45 days after receipt of the application. When considering an application, the Office shall give priority to a program of



workforce recruitment, assessment and training that will provide workforce development services to one or more businesses that:

(a) Provide high-skill and high-wage jobs to residents of this State ~~H~~, *as defined by the Board of Economic Development;*

(b) *Provide postsecondary or industry-recognized credentials or identifiable skills meeting the applicable industry standard, which are not otherwise offered or not otherwise offered at scale in this State;*

(c) *Impart a course of study for not more than 12 months that delivers skills that are needed in the workforce;*

(d) To the greatest extent practicable, use materials that are produced or bought in this State;

~~H(e)~~ (e) Are consistent with the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053; and

~~H(d)~~ (f) Are consistent with the unified state plan submitted by the Governor to the Secretary of Labor pursuant to 29 U.S.C. § 3112.

7. An authorized provider may use money distributed pursuant to this section:

(a) To provide ~~technical services to a business that participates in the program of workforce recruitment, assessment and training;~~ *curriculum development and instructional services;*

(b) *To pay for equipment or technology necessary to conduct the training;*

(c) *To pay training fees or tuition for the program of workforce recruitment, assessment and training, which are not otherwise covered by the program budget or other workforce development funding;*

(d) To ~~provide publicity for~~ *promote* the program of workforce recruitment, assessment and training and for job recruiting and assessments conducted through the program;

~~H(c) To provide instructional services;~~

~~(d)~~ (e) To provide analysis of on-site training;

~~H(e)~~ (f) To pay any costs relating to the rental of instructional facilities, including, without limitation, utilities and costs relating to the storage and transportation of equipment and supplies;

~~H(f)~~ (g) To pay administrative and personnel costs ~~H~~, *except that not more than 10 percent of the money distributed pursuant to this section is used for such purposes;* and

~~H(g)~~ (h) To pay any other costs, *not including administrative and personnel costs*, necessary to effectively carry out the program of workforce recruitment, assessment and training.

8. *Equipment purchased with money distributed as a grant pursuant to this section is the property of the Office. At the end of*



the grant period, the Office may recapture the equipment for redistribution to other programs of workforce recruitment, assessment and training provided by an authorized provider.

9. A ~~person who operates a business or will operate a~~ business in this State may apply to the Office to participate in ~~an~~ *approved* program of workforce recruitment, assessment and training provided by an authorized provider. The application must be submitted on a form prescribed by the Office and must include, without limitation:

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

(b) Proof satisfactory to the Office that the business is consistent with the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053;

(c) A description of the number and types of jobs that the business expects will be created as a result of its participation in the program of workforce recruitment, assessment and training and the wages the business expects to pay to persons employed in those jobs;

(d) The types of services which will be provided to the business through the program of workforce recruitment, assessment and training;

(e) A workforce diversity action plan approved by the Office; and

(f) Any other information required by the Office.

Sec. 2. NRS 231.1468 is hereby amended to read as follows:

231.1468 A workforce diversity action plan submitted to the Office for approval pursuant to paragraph (a) of subsection 3 of NRS 231.1467 or paragraph (e) of subsection ~~18~~ *9* of NRS 231.1467 must include, without limitation:

1. A statement expressing a commitment to workforce diversity, an explanation of the actions that will be taken and strategies that will be implemented to promote workforce diversity and the goals and performance measures which will be used to measure the success of the plan in achieving those goals; and

2. A statement expressing a commitment to comply with all applicable federal and state laws.

Sec. 3. 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 Office for approval of a program of workforce training ~~18~~ *for incumbent employees that will result in a postsecondary or industry-recognized credential, or an identifiable occupational skill that meets the applicable industry standard.* The application must be submitted on a form prescribed by the Office.

2. Each application must include:



- 1 (a) The name, address and telephone number of the business;
2 (b) The number and types of jobs for the business that are
3 available or will be available upon completion of the program of
4 workforce training;
5 (c) A statement of the objectives of the proposed program of
6 workforce training;
7 (d) *An initial plan for wage increases for employees who*
8 *successfully complete the program of workforce training;*
9 (e) The estimated cost for each person enrolled in the program
10 of workforce training; and
11 ~~(e)~~ (f) A statement signed by the applicant certifying that, if
12 the program of workforce training set forth in the application is
13 approved and money is granted by the Office to an authorized
14 provider for the program of workforce training, each employee who
15 completes the program of workforce training:
16 (1) Will be employed in a full-time and permanent position
17 in the business; and
18 (2) While employed in that position, will be paid not less
19 than 80 percent of the lesser of the average industrial hourly wage
20 in:
21 (I) This State; or
22 (II) The county in which the business is located,
23 ➤ as determined by the Employment Security Division of the
24 Department of Employment, Training and Rehabilitation on July 1
25 of each fiscal year.
26 3. Upon request, the Office may assist an applicant in
27 completing an application pursuant to the provisions of this section.
28 4. Except as otherwise provided in subsection 5, the Office
29 shall approve or deny each application within 45 days after receipt
30 of the application. When considering an application, the Office shall
31 give priority to a business that:
32 (a) Provides high-skill and high-wage jobs to residents of this
33 State;
34 (b) To the greatest extent practicable, uses materials for the
35 business that are produced or bought in this State;
36 (c) Is consistent with the State Plan for Economic Development
37 developed by the Executive Director pursuant to subsection 2 of
38 NRS 231.053; and
39 (d) Is consistent with the unified state plan submitted by the
40 Governor to the Secretary of Labor pursuant to 29 U.S.C. § 3112.
41 5. Before approving an application, the Office shall establish
42 the amount of matching money that the applicant must provide for
43 the program of workforce training. The amount established by the
44 Office for that applicant must not be less than 25 percent of the
45 amount the Office approves for the program of workforce training.



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

7. If the 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. 4. NRS 231.151 is hereby amended to read as follows:

231.151 1. The Workforce Innovations for a New Nevada Account is hereby created in the State General Fund. Any money the 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 General Fund for credit to the Account; 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 an odd-numbered fiscal year reverts to the State General Fund.

3. In calculating the uncommitted remaining balance in the Account at the end of an odd-numbered 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 each odd-numbered fiscal year if necessary to comply with a term of the gift, grant, donation or contribution.

4. *After deducting any applicable charges, any interest or income earned on money in the Account, including, without limitation, unexpended appropriations made to the Account from the State General Fund, must be credited to the Account.*

5. The 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. 5. This act becomes effective on July 1, 2021.

