

**MINUTES OF THE
SENATE COMMITTEE ON GROWTH AND INFRASTRUCTURE**

**Eighty-second Session
March 22, 2023**

The Senate Committee on Growth and Infrastructure was called to order by Chair Dallas Harris at 4:38 p.m. on Wednesday, March 22, 2023, in Room 2144 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 Dallas Harris, Chair
Senator Pat Spearman, Vice Chair
Senator Julie Pazina
Senator Scott Hammond
Senator Ira Hansen

GUEST LEGISLATORS PRESENT:

Senator Skip Daly, Senatorial District No. 13

STAFF MEMBERS PRESENT:

Kristin Rossiter, Policy Analyst
Paula Peters, Committee Secretary

OTHERS PRESENT:

Andy Donahue, Southern Nevada Laborers-Employers Cooperation and Education Trust

CHAIR HARRIS:

We will open the hearing on Senate Bill (S.B.) 257.

SENATE BILL 257: Revises provisions governing tax abatements for certain renewable energy facilities. (BDR 58-538)

SENATOR SKIP DALY (Senatorial District No. 13):

I proposed S.B. 257 in response to a request from constituents in the labor industry. They wanted the annual contractor payroll reports submitted to the Nevada Governor's Office of Energy to be required quarterly.

The genesis is that when these reports are prepared annually, they may be in and out of compliance throughout the year. They may not have the 50 percent required Nevada workers and other criteria during the year but comply before year-end. This bill would ensure that they are complying every quarter throughout the job. They will not be able to manipulate the numbers at year-end.

I have researched and discussed the reporting requirements with concerned parties. There has been concern about the additional costs, effort and time to prepare those extra reports.

The *Nevada Revised Statutes* (NRS) 701A.377 requires maintaining certain records for the workers that are performing construction. These reports are essentially a certified payroll report. This is one of the annual reports that would be filed quarterly.

The other report is required by NRS 701A.365, subsection 1, paragraphs (d) and (e). It requires reporting about the number of employees that are not in construction and their wages.

If there will be any changes to the bill, I can consult with interested parties and discuss limiting this bill to the construction reporting portion. We are only concerned with the construction phase. We may not have to make changes because some of these contracts are required to be in effect at least ten years to be qualified for the abatement.

SENATOR HANSEN:

Are the contractors required to report on prevailing wages weekly during the construction window? If so, is this just a quarterly compilation of data that they already have?

SENATOR DALY:

These are not public works jobs. The contractors do not file the monthly certified payroll reports that are required on a regular public works construction job.

Prevailing wages are not required to be paid. Workers are required to be paid 175 percent of the State average wage and provided health insurance with dependent coverage.

They are required under NRS 701A.377 to maintain a report on the workers. This is the same as required under NRS 338.030, which is the prevailing wage portion, but they do not turn it in to an awarding body. An annual report is prepared to substantiate what the wage rates were. This annual reporting would change to quarterly reporting under S.B. 257.

SENATOR PAZINA:

I spoke with Senator Daly earlier about my concern about the scope. The bill needs to require the information that these organizations need to continue to qualify for the abatements in the first place. Perhaps limiting the scope as the time spent on accounting can be excessive. We want to ensure that the requirements are being met and include a limitation of the scope in S.B. 257.

SENATOR DALY:

Having spoken with you and others with concerns, I started looking into what needs to be in these reports. I will speak with the person who approached me and reach out to the Nevada Governor's Office of Energy.

Senate Bill 257 will ensure that during the construction phase the contractors are meeting the requirements. At least 50 percent of the workers are Nevada residents, the pay rate is 175 percent of the State average wage and the health insurance provisions have been met.

Requiring quarterly reports would be more effective than the annual reports. The annual reports show compliance at year-end when often, they were in and out of compliance throughout the year.

The annual reporting and some of the additional reporting requirements might not be needed once the construction phase is complete. I need to clarify that.

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The main concern is the construction phase. The construction phase would be limited to 24 months or whatever period the construction is underway. The construction could go longer than 24 months, but it would not be the full 10 years of the abatement program.

ANDY DONAHUE (Southern Nevada Laborers-Employers Cooperation and Education Trust):

The Southern Nevada Laborers-Employers Cooperation and Education Trust is in support of the bill as written. In addressing the Senator's question, most of the reportable elements are clearly enumerated in the eligibility for the tax benefit they are asking for, and we can discuss that offline.

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CHAIR HARRIS:

Having no further business to come before the Senate Committee on Growth and Infrastructure, we are adjourned at 4:49 p.m.

RESPECTFULLY SUBMITTED:

Paula Peters,
Committee Secretary

APPROVED BY:

Senator Dallas Harris, Chair

DATE: _____

| EXHIBIT SUMMARY | | | | |
|-----------------|----------------|--------------------------------------|------------------|-------------------|
| Bill | Exhibit Letter | Introduced on Minute Report Page No. | Witness / Entity | Description |
| | A | 1 | | Agenda |
| | B | 1 | | Attendance Roster |