

SENATE BILL NO. 461—COMMITTEE ON
REVENUE AND ECONOMIC DEVELOPMENT

(ON BEHALF OF THE OFFICE OF THE GOVERNOR)

APRIL 30, 2025

Referred to Committee on Revenue and
Economic Development

SUMMARY—Revises provisions relating to economic
development. (BDR 32-1070)

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

CONTAINS UNFUNDED MANDATE (§ 32)
(NOT REQUESTED BY AFFECTED LOCAL GOVERNMENT)

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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 economic development; revising provisions governing abatements of certain taxes and transferable tax credits for certain businesses; authorizing the Office of Economic Development to approve a partial deduction of certain taxes for a person who intends to locate or expand a high-impact business in this State; authorizing the Board of Economic Development to deny an application for an abatement, deduction or transferable tax credits under certain circumstances; authorizing the Office to issue transferable tax credits for the location or expansion of a child care facility in this State; creating the Community Infrastructure Grant Program; revising provisions governing the State Plan for Economic Development; revising provisions governing programs of workforce recruitment, assessment and training; requiring the Office of Economic Development and the Department of Employment, Training and Rehabilitation to establish a program to reimburse certain expenses of certain students of the Nevada System of Higher Education; providing for the establishment of a program to provide stipends to



certain employers whose employees teach in programs of career and technical education; revising provisions governing programs of career and technical education; authorizing businesses that recycle certain materials or produce certain fuels from recycled materials to apply to the Office for a partial abatement of certain taxes; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law authorizes the Office of Economic Development to approve transferable tax credits and abatements or partial abatements of certain property taxes, business taxes and sales and use taxes for certain businesses in certain circumstances. (NRS 231.1555, 274.310, 274.320, 274.330, 360.750, 360.753, 360.754, 360.759, 360.889, 360.945) **Sections 3 and 13-15** of this bill authorize a person who intends to locate or expand a high-impact business in this State, which is defined in **section 3** as a business primarily engaged in electric battery production, the production of clean energy and water technology, advanced manufacturing or the manufacturing of aerospace systems, defense technologies, national security solutions or certain advanced health care technology, to apply to the Office for a partial deduction of certain property taxes, business taxes and sales and use taxes. **Section 3** authorizes the Office to approve an application for a partial deduction if the Office makes certain determinations and establishes the method to calculate the amount of the partial deduction based upon whether the applicant meets certain criteria. **Section 3** prohibits the Office from approving a partial deduction that would allow a business to deduct: (1) more than 60 percent of the total amount of taxes that would otherwise be due in any tax year or over the 10-year period following the date on which the partial deduction becomes effective; or (2) in combination with any partial abatement that the business might receive, more than 90 percent of the total amount of taxes that would otherwise be due. **Section 7** of this bill requires the Department of Taxation to investigate whether a person meets the eligibility requirements for the partial deduction created by **section 3** during the course of certain other investigations. **Sections 3 and 9** of this bill require a person, to be eligible for the partial deduction, to enter into an agreement with the Office that contains certain provisions. **Section 10** of this bill requires the Office to provide certain notice and take action at a public meeting on an application for the partial deduction created by **section 3**. If the Office approves a partial deduction of sales and use tax pursuant to **section 3**, **section 11** of this bill requires the Office to issue to the business a document certifying the partial deduction. **Section 16** of this bill exempts the partial deduction created by **section 3** from provisions excluding certain provisions of the Local School Support Tax Law from being subject to abatements on taxation which the Office is authorized to approve. **Sections 22 and 30** of this bill add the partial deduction created by **section 3** to the list of economic development incentives for which the Office is required to submit certain reports. **Sections 26 and 27** of this bill provide that businesses that receive the deduction created by **section 3** are not eligible to receive certain tax credits that are authorized under existing law for businesses that meet criteria to be a qualified active low-income community business or impact qualified active low-income community business.

To be eligible for certain partial abatements or transferable tax credits, existing law requires the business of the applicant to offer primary jobs. (NRS 360.750, 360.889) **Section 3** requires a business to offer primary jobs to be eligible for the partial deduction created by that section. **Section 2** of this bill defines the term "primary job" for the purposes of such provisions to mean a permanent, full-time



45 position of employment at a physical location of a business in this State that is: (1)
46 a location that generates a certain percentage of its revenue from exports to
47 locations outside of this State; or (2) a business that operates in certain sectors of
48 the economy and manufactures, produces or sells certain goods or services that are
49 imported into this State in significant quantities and which closes gaps in supply
50 chains, promotes local production or reduces the outflow of capital from this State.
51 **Section 18** of this bill similarly defines “primary jobs” for the purposes of certain
52 other programs administered by the Office, and **section 20** of this bill makes this
53 definition applicable to such programs.

54 **Section 4** of this bill requires a person who claims an abatement, partial
55 abatement or partial deduction to submit a quarterly report to the Department
56 containing certain information, including: (1) a certification that the person was
57 approved for and continues to meet the requirements for the abatement or
58 deduction; and (2) documentation to demonstrate the person’s continuing
59 compliance with those requirements. **Section 4** also requires the person to remit
60 sales and use tax owed for the previous calendar quarter that was not previously
61 remitted.

62 **Section 5** of this bill authorizes the Board of Economic Development to deny,
63 or approve for a lesser amount, an application for an abatement, partial abatement,
64 partial deduction or transferable tax credits if the Board determines that approving
65 the full amount applied for is not in the best interests of the State. **Section 5** lists
66 certain factors that the Board may consider in determining whether granting the full
67 amount applied for is in the best interests of the State.

68 Existing law authorizes the Office to approve applications for partial
69 abatements of certain taxes and the issuance of transferable tax credits submitted by
70 the lead participant engaged in a qualified project with other participants for a
71 common purpose or business endeavor and which is located within the geographic
72 boundaries of a single project site, if the participants agree collectively to make a
73 total new capital investment in this State of at least \$1 billion during the 10-year
74 period immediately following the approval of the application. (NRS 360.880-
75 360.896) Under existing law, the Office is prohibited from approving such
76 transferable tax credits for any fiscal year beginning on or after July 1, 2025. (NRS
77 360.892) Additionally, the provisions authorizing such partial abatements and
78 transferable tax credits expire on June 30, 2032. (Section 69 of chapter 2, Statutes
79 of Nevada 2015, 29th Special Session, at page 54) **Section 12** of this bill authorizes
80 the Office to approve such transferable tax credits, not to exceed \$7,600,000 per
81 fiscal year, in each fiscal year beginning on or after July 1, 2025. **Section 34** of this
82 bill delays the expiration of those provisions until June 30, 2033.

83 **Section 6** of this bill authorizes the Office to issue transferable tax credits to a
84 person who has undertaken a project for the location or expansion of a child care
85 facility in this State which may be applied to certain fees and taxes. **Section 6** limits
86 the number of the transferable tax credits that may be authorized by the Office each
87 fiscal year to \$12,000,000, except that: (1) any amount of transferable tax credits
88 not approved in the fiscal year of a biennium must be carried forward and used only
89 in the second fiscal year of the biennium; and (2) the Office may not approve
90 credits for a fiscal year beginning on or after July 1, 2045. **Section 6** provides that
91 the amount of transferable tax credits issued to an applicant must be a percentage of
92 the amount of qualified expenditures by the applicant and not more than 60 percent
93 of such qualified expenditures. **Section 6** requires the Office, before issuing a
94 certificate of transferable tax credits, to certify to the Department or the Nevada
95 Gaming Control Board, as applicable, that the amount of transferable tax credits
96 will be deducted from the maximum amount of certain transferable tax credits that
97 the Office is authorized to approve that fiscal year. **Section 6** prohibits more than
98 one-fifth of the total tax credits issued to a person from being used by the person, or
99 a person to whom the tax credits were transferred, in a fiscal year and provides that



100 the tax credits expire after 5 years. **Section 6** requires the Office to submit a report
101 to the Governor, the Legislature and the Joint Interim Standing Committee on
102 Revenue regarding the tax credit for child care facilities.

103 Existing law authorizes a person who intends to locate or expand a business in
104 this State to apply to the Office for a partial abatement of certain property taxes,
105 business taxes and sales and use taxes. (NRS 360.750) **Section 8** of this bill
106 removes a prohibition on the approval of a partial abatement for an applicant who
107 intends to locate or expand a business but who has already received a partial
108 abatement for locating or expanding that business, thereby authorizing a business to
109 obtain a partial abatement for locating or expanding a business in this State multiple
110 times.

111 **Section 19** of this bill requires the Office to establish and administer a program
112 to award grants to qualified entities to construct certain infrastructure projects or
113 rural housing projects and creates the Community Infrastructure Grant Program
114 Account, which must be used to award such grants. **Section 19** provides
115 requirements for the administration of the money in the Account and requires the
116 Office to prioritize applications for grants for certain projects.

117 Existing law requires the Executive Director of the Office to develop a State
118 Plan for Economic Development. (NRS 231.053) **Section 21** of this bill requires
119 the Executive Director to revise the State Plan at least biennially and revises the
120 information which the Executive Director is required to include in the State Plan.

121 Existing law authorizes the Office to provide an allocation, grant or loan of
122 money to defray the cost of an approved program of workforce recruitment,
123 assessment and training. Existing law requires such a program to include a
124 workforce diversity action plan. (NRS 231.1467, 231.1468) **Section 23** of this bill
125 revises the requirements for an application for approval of such a program and an
126 application by a business to participate in such a program. **Section 23** replaces the
127 requirement for such a program to include a workforce diversity action plan with a
128 requirement to include a workforce development action plan, and **section 38** of this
129 bill repeals provisions providing for the contents of a workforce diversity action
130 plan. **Section 25** of this bill replaces a reference to the workforce diversity action
131 plan with the workforce development action plan.

132 **Section 28** of this bill requires the Department of Employment, Training and
133 Rehabilitation and the Office to jointly establish a program to provide
134 reimbursement for certain expenses related to enrollment in an undergraduate or
135 certificate program in a trade-related field provided by the Nevada System of
136 Higher Education to persons who successfully completed a program of career and
137 technical education provided by a school district in this State. **Section 28** requires
138 such reimbursement to be repaid unless the recipient meets certain requirements,
139 including completion of the undergraduate or certificate program and satisfaction of
140 a requirement to work in a trade-related field in a rural county for at least 2 years.
141 **Section 29** of this bill applies certain definitions in existing law governing the
142 Department to **section 28**.

143 **Section 31** of this bill requires the State Board of Education, to the extent
144 money is made available by the Department of Employment, Training and
145 Rehabilitation and in collaboration with the Department and the Office of
146 Economic Development, to establish a program to provide stipends to employers
147 whose employees act as part-time teachers for programs of career and technical
148 education. **Section 31** authorizes an employer that is approved for a stipend to
149 donate the stipend to the school district in which the employee teaches for costs
150 associated with the program of career and technical education. **Section 31** requires
151 an employer that receives the stipend to provide the employee with the full
152 compensation and benefits the employee would receive if the employee was not
153 acting as a part-time teacher.



154 Existing law requires the board of trustees of a school district in a county
155 whose population is 100,000 or more (currently Clark and Washoe Counties) and
156 authorizes the board of trustees of a school district in a county whose population is
157 less than 100,000 to establish a program of career and technical education. (NRS
158 388.380) **Section 32** of this bill requires the board of trustees of a school district
159 that offers a program of career and technical education to enter into talent pipeline
160 agreements with local businesses to facilitate the participation of pupils in
161 internships, apprenticeships and short-term career experiences. **Section 32** requires
162 a talent pipeline agreement to include certain provisions. **Sections 24 and 32** of this
163 bill require the Office to establish a program to award grants to school districts with
164 active talent pipeline agreements using funds from the Workforce Innovations for a
165 New Nevada Account. **Section 32** requires a business which is party to an active
166 talent pipeline agreement to submit annually a report to the State Board and the
167 Office.

168 **Section 32** revises the curriculum which is required to be provided through a
169 program of career and technical education.

170 Existing law authorizes the Office to approve a partial abatement from the taxes
171 imposed on real property for a business that: (1) engages in the primary trade of
172 preparing, fabricating, manufacturing or otherwise processing raw material or an
173 intermediate product using a certain percentage of recycled materials or includes as
174 a primary component a facility for the generation of electricity from recycled
175 material; and (2) has as its primary purpose the conservation of energy or the
176 substitution of other sources of energy for fossil fuel sources of energy. (NRS
177 701A.210) **Section 33** of this bill authorizes the Office to grant such a partial
178 abatement of property taxes to a business that: (1) includes as a primary component
179 a facility for the production of biofuels, biomass or other primary fuels from
180 recycled material for use in the production of energy; or (2) primarily engages in
181 the recycling or repurposing of materials that were used to produce or store
182 renewable energy, including, without limitation, materials used in solar panels, or
183 waste materials resulting from the extraction of minerals.

184 **Section 39** of this bill makes the provisions of **sections 3, 13-15 and 33** expire
185 by limitation on June 30, 2045, to comply with the requirement of Article 10,
186 section 6 of the Nevada Constitution that the Legislature must provide an expiration
187 date for certain exemptions from taxes.

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

1 **Section 1.** Chapter 360 of NRS is hereby amended by adding
2 thereto the provisions set forth as sections 2 to 6, inclusive, of this
3 act.

4 **Sec. 2.** *As used in this chapter, "primary job" means a*
5 *primary position of employment at a physical location of a*
6 *business in this State, if the employee filling that position works an*
7 *average of at least 30 hours per week and:*

8 1. *Not less than half of the revenue generated at that location*
9 *is derived from exports to locations outside of this State; or*

10 2. *The business:*



1 (a) Manufactures, produces or sells goods or services that are
2 imported into this State in significant quantities, as determined by
3 the Office of Economic Development;

4 (b) Operates in a sector of the economy that the Office of
5 Economic Development determines to be critical to the economic
6 security of this State, including, without limitation, critical
7 mineral processing, battery production and health care; and

8 (c) Closes gaps in supply chains, promotes local production or
9 reduces the outflow of capital from this State.

10 **Sec. 3. 1.** A person who intends to locate or expand a high-
11 impact business in this State may apply to the Office of Economic
12 Development pursuant to this section for a partial deduction of
13 one or more of the taxes imposed on the new or expanded business
14 pursuant to chapter 361, 363B or 374 of NRS.

15 2. The Office of Economic Development may approve an
16 application for a partial deduction pursuant to this section if the
17 Office makes the following determinations:

18 (a) The business offers primary jobs and is consistent with:

19 (1) The State Plan for Economic Development developed by
20 the Executive Director of the Office of Economic Development
21 pursuant to subsection 2 of NRS 231.053; and

22 (2) Any guidelines adopted by the Executive Director of the
23 Office to implement the State Plan for Economic Development.

24 (b) Not later than 1 year after the date on which the
25 application was received by the Office, the applicant has executed
26 an agreement with the Office which must:

27 (1) Comply with the requirements of NRS 360.755;

28 (2) State the date on which the partial deduction becomes
29 effective, as agreed to by the applicant and the Office of Economic
30 Development, which must not be earlier than the date on which
31 the Office received the application and not later than 1 year after
32 the date on which the Office approves the application;

33 (3) State that the business will, after the date on which the
34 partial deduction becomes effective, continue in operation in this
35 State for a period specified by the Office of Economic
36 Development, which must be at least 10 years, and will continue to
37 meet the eligibility requirements set forth in this subsection;

38 (4) State that the business will offer primary jobs; and

39 (5) Bind the successors in interest of the applicant for the
40 specified period.

41 (c) The applicant is registered pursuant to the laws of this
42 State or the applicant commits to obtain a valid business license
43 and all other permits required by each county, city or town in
44 which the business operates.



1 (d) *The average hourly wage that will be paid by the business*
2 *to its new employees in this State during the period of the partial*
3 *deduction is not less than 100 percent of the average statewide*
4 *hourly wage as established by the Employment Security Division*
5 *of the Department of Employment, Training and Rehabilitation on*
6 *July 1 of each fiscal year.*

7 (e) *The business will, by the eighth calendar quarter following*
8 *the calendar quarter in which the partial deduction becomes*
9 *effective, offer a health insurance plan for all employees that*
10 *includes an option for health insurance coverage for dependents*
11 *of the employees, and the health care benefits the business offers*
12 *to its employees in this State will meet the minimum requirements*
13 *for health care benefits established by the Office of Economic*
14 *Development.*

15 (f) *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, the business will have 5 or more full-time employees*
18 *on the payroll of the business by the eighth calendar quarter*
19 *following the calendar quarter in which the partial deduction*
20 *becomes effective who will be employed at the location of the*
21 *business in that county or city until at least the date which is 10*
22 *years after the date on which the partial deduction becomes*
23 *effective.*

24 (g) *If the business is a new business in a county whose*
25 *population is 100,000 or more or a city whose population is 60,000*
26 *or more, the business will have 25 or more full-time employees on*
27 *the payroll of the business by the eighth calendar quarter*
28 *following the calendar quarter in which the partial deduction*
29 *becomes effective who will be employed at the location of the*
30 *business in that county or city until at least the date which is 10*
31 *years after the date on which the partial deduction becomes*
32 *effective.*

33 3. *The total amount of the partial deduction approved by the*
34 *Office of Economic Development must be calculated in*
35 *accordance with this subsection. The standard amount of the*
36 *partial deduction is 10 percent of the total amount of the taxes*
37 *owed by the applicant pursuant to chapter 361, 363B or 374 of*
38 *NRS, or any combination of those taxes. Additionally, for each of*
39 *the following criteria which the Office of Economic Development*
40 *determines applies to the applicant, the Office shall approve an*
41 *additional partial deduction of 10 percent of the total amount of*
42 *the taxes owed by the applicant pursuant to chapter 361, 363B or*
43 *374 of NRS, or any combination of those taxes, up to the*
44 *maximum amount authorized pursuant to subsections 5 and 6:*



1 (a) *The average hourly wage that will be paid by the business*
2 *to its employees in this State is not less than 150 percent of the*
3 *average statewide hourly wage as established by the Employment*
4 *Security Division of the Department of Employment, Training and*
5 *Rehabilitation on July 1 of each fiscal year.*

6 (b) *The business has executed an agreement with an*
7 *institution of the Nevada System of Higher Education to:*

8 (1) *Sponsor research performed by the institution;*

9 (2) *Collaborate with the institution to perform joint*
10 *research;*

11 (3) *Transfer materials or data to the institution for research*
12 *use, at no cost to the institution;*

13 (4) *Receive materials or data from the institution for*
14 *research use, in exchange for compensation to the institution;*

15 (5) *Receive services or products from the institution on an*
16 *ongoing basis, in exchange for compensation to the institution;*

17 (6) *Loan equipment to the institution for research use, at*
18 *no cost to the institution;*

19 (7) *Authorize the institution to use facilities of the business*
20 *for research purposes, at no cost to the institution;*

21 (8) *Use facilities of the institution, in exchange for*
22 *compensation to the institution; or*

23 (9) *Provide the institution with a license to use software or*
24 *another product belonging to the business, at no cost to the*
25 *institution.*

26 (c) *Not less than 60 percent of the full-time employees hired to*
27 *work at the location of the business in this State for the first 5*
28 *years after the date on which the partial deduction becomes*
29 *effective will be:*

30 (1) *Residents of this State; or*

31 (2) *Persons who graduated from a high school located in*
32 *this State, trade school located in this State, an apprenticeship*
33 *program approved by the State Apprenticeship Council created by*
34 *NRS 610.030 or college or university located in this State.*

35 (d) *The business will participate in a program of workforce*
36 *development provided by an authorized provider, as defined in*
37 *NRS 231.1415, and, by the eighth calendar quarter following the*
38 *calendar quarter in which the partial deduction becomes effective,*
39 *not less than 20 percent of the employees of the business who work*
40 *at the location of the business in this State will have completed the*
41 *program of workforce development.*

42 (e) *For the duration of the partial deduction, the business will*
43 *offer a health insurance plan for all employees and will cover the*
44 *entire amount of the premiums required to be paid for the*



1 *employee's coverage under the health insurance plan, without*
2 *deduction from the wages of the employee.*

3 *(f) For the duration of the partial deduction, the business will*
4 *occupy or construct and occupy a newly constructed facility in a*
5 *qualified opportunity zone in this State designated by the Secretary*
6 *of the Treasury, or his or her designee, pursuant to 26 U.S.C. §*
7 *1400Z-1. For the purposes of this paragraph, a facility is newly*
8 *constructed if the facility has not been previously occupied by a*
9 *person or business.*

10 *(g) For the duration of the partial deduction, the business will*
11 *offer a housing assistance program to the employees of the*
12 *business that provides direct housing assistance that is sufficient,*
13 *as determined by the Office of Economic Development, to make*
14 *owner-occupied or rental housing attainable to the employees of*
15 *the business.*

16 *(h) For the duration of the partial deduction, the business will*
17 *occupy or construct and occupy a facility that is part of an infill*
18 *development project that is consistent with the goals of sustainable*
19 *growth and the efficient use of land.*

20 *4. Before approving any application for a partial deduction*
21 *pursuant to this section, the Office shall conduct an analysis and*
22 *certify:*

23 *(a) The total amount of taxes that the applicant is anticipated*
24 *to incur pursuant to chapters 361, 363B and 374 of NRS, as*
25 *applicable, during each of the 10 years following the date on*
26 *which the partial deduction becomes effective, absent the effect of*
27 *any partial deduction approved pursuant to this section.*

28 *(b) The total amount of any partial deduction which the*
29 *applicant is anticipated to qualify for as calculated pursuant to*
30 *subsection 3.*

31 *5. Except as otherwise provided in subsection 6, the Office of*
32 *Economic Development shall not approve a partial deduction*
33 *pursuant to this section which would allow for the partial*
34 *deduction of more than 60 percent of the total amount of taxes*
35 *that the applicant would otherwise owe pursuant to chapter 361,*
36 *363B or 374 of NRS during any of the 10 years following the date*
37 *on which the partial deduction becomes effective or over the entire*
38 *10-year period following the date on which the partial deduction*
39 *becomes effective.*

40 *6. Except as otherwise provided in this subsection, an*
41 *applicant for a partial deduction pursuant to this section may also*
42 *apply for and receive any abatement or partial abatement of taxes*
43 *authorized pursuant to chapter 360 of NRS or any other specific*
44 *statute for which the applicant otherwise qualifies. Any*
45 *combination of the partial deduction approved pursuant to this*



1 *section and any abatements approved pursuant to chapter 360 of*
2 *NRS or any other specific statute must not, in any fiscal year,*
3 *allow for the partial deduction and abatement of more than 90*
4 *percent of the total amount of taxes that the business would*
5 *otherwise owe pursuant to chapter 361, 363B or 374 of NRS.*

6 *7. The Office of Economic Development must not:*

7 *(a) Consider an application for a partial deduction unless the*
8 *Office has requested a letter of acknowledgment of the request for*
9 *the partial deduction from any affected county, school district, city*
10 *or town and has complied with the requirements of NRS 360.757;*
11 *or*

12 *(b) Approve a partial deduction for any applicant for a period*
13 *of more than 10 years.*

14 *8. If the Office of Economic Development approves an*
15 *application for a partial deduction pursuant to this section, the*
16 *Office shall immediately forward a certificate of eligibility for the*
17 *partial deduction to:*

18 *(a) The Department;*

19 *(b) The Nevada Tax Commission; and*

20 *(c) If the partial deduction is from personal property taxes, the*
21 *appropriate county treasurer.*

22 *9. An applicant for a partial deduction pursuant to this*
23 *section or an existing business whose partial deduction is in effect*
24 *shall, upon the request of the Executive Director of the Office of*
25 *Economic Development, furnish the Executive Director with*
26 *copies of all records necessary to verify that the applicant meets*
27 *the requirements of subsection 2 and any applicable criteria*
28 *described in subsection 3.*

29 *10. If an applicant for a partial deduction pursuant to this*
30 *section fails to execute the agreement described in paragraph (b)*
31 *of subsection 2 within 1 year after the date on which the*
32 *application was received by the Office of Economic Development,*
33 *the applicant shall not be approved for a partial deduction*
34 *pursuant to this section unless the applicant submits a new*
35 *application.*

36 *11. If a business whose partial deduction has been approved*
37 *pursuant to this section and whose partial deduction is in effect*
38 *ceases:*

39 *(a) To meet the requirements set forth in subsection 2;*

40 *(b) To meet any criteria set forth in subsection 3 for which the*
41 *business was receiving a partial deduction; or*

42 *(c) Operation before the time specified in the agreement*
43 *described in paragraph (b) of subsection 2,*

44 *↳ the business shall repay to the Department or, if the partial*
45 *deduction was from personal property taxes, to the appropriate*



1 county treasurer, the amount of the partial deduction that was
2 allowed pursuant to this section before the failure of the business
3 to comply, unless the Nevada Tax Commission determines that the
4 business has substantially complied with the requirements of this
5 section. Except as otherwise provided in NRS 360.232 and
6 360.320, the business shall, in addition to the amount of the
7 partial deduction required to be repaid pursuant to this subsection,
8 pay interest on the amount due at the rate most recently
9 established pursuant to NRS 99.040 for each month, or portion
10 thereof, from the last day of the month following the period for
11 which the payment would have been made had the partial
12 deduction not been approved until the date of payment of the tax.

13 12. The Office of Economic Development may adopt such
14 regulations as the Office determines to be necessary to carry out
15 the provisions of this section.

16 13. An applicant for a partial deduction who is aggrieved by a
17 final decision of the Office of Economic Development may petition
18 a court of competent jurisdiction to review the decision in the
19 manner provided in chapter 233B of NRS.

20 14. For an employee to be considered a resident of Nevada
21 for the purposes of this section, the business must maintain in the
22 personnel file of the employee documentation that the employee is
23 a current Nevada resident, which must take the form of:

24 (a) A copy of the current and valid Nevada driver's license of
25 the employee or a current and valid identification card for the
26 employee issued by the Department of Motor Vehicles; or

27 (b) If the employee is a registered owner of one or more
28 vehicles in Nevada, a copy of the current motor vehicle
29 registration of at least one of those vehicles.

30 15. As used in this section:

31 (a) "Full-time employee" means a person who is in a
32 permanent position of employment and works an average of 30
33 hours per week during the applicable period set forth in
34 subparagraph (3) of paragraph (b) of subsection 2.

35 (b) "High-impact business" means a business that is primarily
36 engaged in:

37 (1) Electric battery production, including, without
38 limitation, the refinement or processing of critical minerals for
39 electric batteries or the manufacturing or assembly of electric
40 batteries and their components;

41 (2) The production of clean energy and water technology,
42 including, without limitation, water resource management
43 technologies or solar panels, wind turbines or other products for
44 the generation of renewable energy;



1 (3) *Advanced manufacturing, including, without limitation,*
2 *the manufacturing of components or equipment for automation,*
3 *robotics or additive manufacturing;*

4 (4) *The manufacturing of aerospace systems, defense*
5 *technologies or national security solutions; or*

6 (5) *The manufacturing of biotechnology, pharmaceuticals,*
7 *medical devices or equipment for specialty hospitals or diagnostic*
8 *laboratories.*

9 **Sec. 4.** *1. Any person who claims an abatement, partial*
10 *abatement or partial deduction of taxes pursuant to NRS 274.310,*
11 *274.320, 274.330, 360.750, 360.753, 360.754, 360.890 or 360.950*
12 *or section 3 of this act, shall submit to the Department a report, in*
13 *such form as the Department may prescribe, not later than 30 days*
14 *after the end of any calendar quarter in which the person claimed*
15 *the abatement, partial abatement or partial deduction of taxes.*
16 *The report must include, without limitation:*

17 (a) *A certification by the person claiming the abatement,*
18 *partial abatement or partial deduction that the person was*
19 *approved to claim the abatement, partial abatement or partial*
20 *deduction and has complied with all of the requirements for*
21 *claiming the abatement, partial abatement or partial deduction*
22 *during the calendar quarter covered by the report.*

23 (b) *Documentation showing that the person has complied with*
24 *all of the requirements for claiming the abatement, partial*
25 *abatement or partial deduction during the calendar quarter*
26 *covered by the report.*

27 2. *If the person claimed an abatement, partial abatement or*
28 *partial deduction of sales and use taxes during the immediately*
29 *preceding calendar quarter by presenting to any retailer a*
30 *document issued pursuant to NRS 360.7575, the report required*
31 *pursuant to this section:*

32 (a) *Shall serve as the return for any sales and use tax owed by*
33 *the person during the calendar quarter.*

34 (b) *Must be accompanied by the amount of any sales and use*
35 *tax which is not abated and which is owed by the person for any*
36 *transaction occurring during the calendar quarter for which the*
37 *sales and use tax was not already remitted.*

38 3. *A report submitted pursuant to this section may be used by*
39 *the Department for the purposes of auditing the compliance of a*
40 *business with the requirements for an abatement, partial*
41 *abatement or partial deduction pursuant to NRS 360.755.*

42 **Sec. 5.** *1. Notwithstanding any other provisions of law, if*
43 *the Board of Economic Development determines, with respect to*
44 *an application for an abatement, partial abatement or partial*
45 *deduction of taxes or for transferable tax credits which is reviewed*



1 *by the Board, that granting the full amount of the abatement,*
2 *partial abatement, partial deduction or transferable tax credits*
3 *requested or to which the applicant would otherwise be entitled is*
4 *not in the best interests of the State, the Board may:*

5 *(a) Deny the application; or*

6 *(b) Approve the application but for a lower amount, or*
7 *otherwise place conditions on the approval of the abatement,*
8 *partial abatement, partial deduction or transferable tax credits.*

9 *2. In determining whether granting the full amount of an*
10 *abatement, partial abatement, partial deduction or transferable tax*
11 *credits is in the best interests of the State for the purposes of*
12 *subsection 1, the Board may consider the following factors, with*
13 *respect to the business that is the subject of the application:*

14 *(a) The projected water consumption of the business,*
15 *particularly if the business is or will be located in a region with*
16 *limited water resources, with the goal of promoting the sustainable*
17 *use of the water supplies in this State.*

18 *(b) The alignment of the business with the social objectives of*
19 *the State, including, without limitation, the promotion of equity,*
20 *education and community well-being.*

21 *(c) The potential environmental impact of the business,*
22 *including, without limitation, the likelihood of a significant*
23 *adverse effect on air quality, water quality or local ecosystems.*

24 *(d) The alignment of the business with the economic objectives*
25 *of the State, including, without limitation, the creation of jobs, the*
26 *diversification of the economy of the State and the long-term*
27 *economic development of the State.*

28 *(e) The anticipated impact of the business on local*
29 *communities, including, without limitation, the impact on traffic,*
30 *infrastructure and community resources.*

31 *(f) The financial stability and viability of the business,*
32 *including, without limitation, signs of financial instability that*
33 *may pose a risk to state investments.*

34 *3. The Board of Economic Development may consider the*
35 *factors listed in subsection 2 with respect to any other decision*
36 *which the Board is authorized to make with respect to an*
37 *application for an abatement, partial abatement, partial deduction*
38 *or transferable tax credits, including, without limitation, the*
39 *duration of the abatement, partial abatement, partial deduction or*
40 *transferable tax credits.*

41 **Sec. 6. 1. A person who has undertaken a project for the**
42 **location or expansion of a child care facility in this State may**
43 **apply to the Office of Economic Development for a certificate of**
44 **eligibility for transferable tax credits for qualified expenditures.**
45 **The transferable tax credits may be applied to:**



- 1 (a) Any tax imposed by chapters 363A and 363B of NRS;
- 2 (b) The gaming license fees imposed by the provisions of
- 3 NRS 463.370;
- 4 (c) Any tax imposed by chapter 680B of NRS; or
- 5 (d) Any combination of the fees and taxes described in
- 6 paragraphs (a), (b) and (c).

7 2. The Office of Economic Development shall not approve
8 any application for transferable tax credits pursuant to this section
9 if approval of the application would cause the total amount of
10 transferable tax credits approved pursuant to this section for each
11 fiscal year to exceed the sum of \$12,000,000. For each biennium
12 beginning on July 1 of an odd-numbered year, if, in the first fiscal
13 year of the biennium, the Office does not approve an amount of
14 transferable tax credits equal to the amount authorized by this
15 subsection for that fiscal year, the remaining amount of
16 transferable tax credits must be carried forward to the next fiscal
17 year of the biennium and made available for approval only during
18 that fiscal year. The Office shall not approve any transferable tax
19 credits pursuant to this section for a fiscal year beginning on or
20 after July 1, 2045. Any transferable tax credits issued pursuant to
21 this section may not be claimed before July 1, 2026.

22 3. The Office of Economic Development may approve an
23 application for a certificate of eligibility for transferable tax
24 credits if the Office finds that the applicant qualifies for the
25 transferable tax credits pursuant to this section and the Office
26 deems that the issuance of the tax credits will support the
27 economic development of the State, after considering:

- 28 (a) The extent to which the child care facility will address an
- 29 identified shortage in child care services in areas of critical
- 30 workforce demand;
- 31 (b) The feasibility and sustainability of the facility; and
- 32 (c) The potential economic and social benefits of the child care
- 33 facility to the local community.

34 4. To be eligible for transferable tax credits pursuant to this
35 section, an applicant must:

- 36 (a) Submit an application in such form as the Office of
- 37 Economic Development prescribes;
- 38 (b) Provide proof satisfactory to the Office that the child care
- 39 facility will promote the economic development of the State;
- 40 (c) Provide a detailed description of the child care facility that
- 41 includes, without limitation, the location of the facility and the
- 42 services that will be provided by the child care facility;
- 43 (d) Demonstrate that the child care facility will operate in an
- 44 area of critical workforce demand or where there is a scarcity of
- 45 child care facilities, as determined by the Office;



1 (e) If the child care facility is sponsored by an employer,
2 ensure that each employee who makes use of the child care facility
3 is charged for the services of the facility in an amount that is not
4 more than 15 percent of the salary of the employee per child
5 enrolled in the facility;

6 (f) Not later than 270 days after the date of the substantial
7 completion of the project for the location or expansion of a child
8 care facility in this State, unless the Office agrees to extend this
9 period by not more than 90 days, provide the Office with an audit
10 of the qualified expenditures made for the location or expansion
11 of the child care facility that includes an itemized report of such
12 expenditures and is certified by an independent certified public
13 account in this State who is approved by the Office;

14 (g) Pay the cost of the audit required by paragraph (f); and

15 (h) Meet any other requirements prescribed by the Office.

16 5. If the Office of Economic Development approves an
17 application for a certificate of eligibility for transferable tax
18 credits pursuant to this section, the Office shall immediately
19 forward a copy of the certificate of eligibility which identifies the
20 estimated amount of the tax credits available to:

21 (a) The applicant;

22 (b) The Department; and

23 (c) The Nevada Gaming Control Board.

24 6. Within 30 days after the receipt of an audit provided by an
25 applicant pursuant to paragraph (f) of subsection 4 and any other
26 accountings or other information required by the Office of
27 Economic Development, the Office shall determine whether to
28 certify the audit and make a final determination of whether a
29 certificate of transferable tax credits will be issued. If the Office
30 certifies the audit, determines that all other requirements for the
31 transferable tax credits have been met and determines that a
32 certificate of transferable tax credits will be issued, the Office
33 shall notify the applicant that the transferable tax credits will be
34 issued. Within 30 days after the receipt of the notice, the applicant
35 shall make an irrevocable declaration of the amount of
36 transferable tax credits that will be applied to each fee or tax set
37 forth in paragraphs (a), (b) and (c) of subsection 1, thereby
38 accounting for all the credits which will be issued. Upon receipt of
39 the declaration, the Office:

40 (a) Except as otherwise provided in subsection 10, shall certify
41 to the Department or the Nevada Gaming Control Board, as
42 applicable, that the amount of transferable tax credits approved
43 pursuant to this section will be deducted from the amount of
44 transferable tax credits that the Office is authorized to approve
45 pursuant to NRS 360.892 for that fiscal year or pursuant to



1 *NRS 231.1555 for that fiscal year, or any combination of those*
2 *transferable tax credits.*

3 *(b) After complying with the provisions of paragraph (a), shall*
4 *issue to the applicant a certificate of transferable tax credits in the*
5 *amount approved by the Office for the fees or taxes included in the*
6 *declaration.*

7 *7. A person who is issued transferable tax credits pursuant to*
8 *this section shall notify the Office of Economic Development upon*
9 *transferring any of the transferable tax credits. The Office shall*
10 *notify the Department and the Nevada Gaming Control Board of*
11 *all transferable tax credits issued, segregated by each fee or tax set*
12 *forth in paragraphs (a), (b) and (c) of subsection 1, and the*
13 *amount of any transferable tax credits transferred.*

14 *8. A person who is issued transferable tax credits pursuant to*
15 *this section and every person to whom transferable tax credits are*
16 *transferred by such a person may not, collectively, use more than*
17 *one-fifth of the total amount of transferable tax credits issued*
18 *pursuant to this section during a fiscal year. If a person who is*
19 *issued transferable tax credits pursuant to this section transfers*
20 *those credits, the transfer must be made pursuant to an agreement*
21 *which includes provisions that are calculated to prevent any*
22 *violation of this subsection, including, without limitation, a*
23 *provision which notifies the person to whom the credits will be*
24 *transferred of the requirements of this subsection.*

25 *9. The transferable tax credits issued pursuant to this section*
26 *expire 5 years after the date on which the transferable tax credits*
27 *are issued to the applicant.*

28 *10. In each fiscal year, the Office must not, pursuant to*
29 *paragraph (a) of subsection 6, reduce the amount of transferable*
30 *tax credits authorized pursuant to:*

31 *(a) NRS 231.1555 by more than \$5,000,000.*

32 *(b) NRS 360.892 by more than \$7,000,000.*

33 *11. The amount of the transferable tax credits issued to an*
34 *applicant pursuant to this section must be a percentage of the*
35 *amount of qualified expenditures by the applicant as supported by*
36 *the audit submitted pursuant to paragraph (f) of subsection 4 and*
37 *must not exceed 60 percent of the amount of such qualified*
38 *expenditures.*

39 *12. An applicant for transferable tax credits pursuant to this*
40 *section shall, upon the request of the Executive Director of the*
41 *Office of Economic Development, furnish the Executive Director*
42 *with copies of all records necessary to verify that the applicant*
43 *meets the requirements of this section.*

44 *13. The Office shall, on or before August 1 of each year,*
45 *submit to the Governor and the Director of the Legislative Counsel*



1 *Bureau for transmittal to the Legislature and the Joint Interim*
2 *Standing Committee on Revenue a report which includes, without*
3 *limitation:*

4 (a) *The number of child care facilities established or expanded*
5 *which received transferable tax credits pursuant to this section,*
6 *both in the immediately preceding fiscal year and in total;*

7 (b) *The total number of transferable tax credits issued in the*
8 *immediately preceding year; and*

9 (c) *The geographic distribution by county and city of the child*
10 *care facilities which received transferable tax credits pursuant to*
11 *this section, both in the immediately preceding year and over the*
12 *lifetime of the program.*

13 14. *The Office of Economic Development may adopt any*
14 *regulations that are necessary to carry out the provisions of this*
15 *section.*

16 15. *The Nevada Tax Commission and the Nevada Gaming*
17 *Commission:*

18 (a) *Shall adopt regulations prescribing the manner in which*
19 *transferable tax credits will be administered.*

20 (b) *May adopt any other regulations that are necessary to*
21 *carry out the provisions of this section.*

22 16. *For the purposes of this section, the date of the*
23 *substantial completion of a project for the location or expansion of*
24 *a child care facility shall be deemed to be the date on which:*

25 (a) *The final building inspection of the facility is concluded;*

26 (b) *A notice of completion is issued for the facility; or*

27 (c) *A certificate of occupancy is issued for the facility,*

28 *↳ whichever occurs later.*

29 17. *As used in this section, “qualified expenditure” means*
30 *expenditures directly related to the establishment, construction,*
31 *expansion or improvement of a licensed child care facility,*
32 *including, without limitation, land acquisition, construction,*
33 *renovations, equipment purchases and operational start-up costs.*

34 **Sec. 7.** *NRS 360.225 is hereby amended to read as follows:*

35 360.225 1. *During the course of an investigation undertaken*
36 *pursuant to NRS 360.130 of a person claiming:*

37 (a) *A partial abatement of property taxes pursuant to*
38 *NRS 361.0687;*

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

40 (c) *A deferral of the payment of taxes on the sale of eligible*
41 *property pursuant to NRS 372.397 or 374.402;*

42 (d) *An abatement of taxes on the gross receipts from the sale,*
43 *storage, use or other consumption of eligible machinery or*
44 *equipment pursuant to NRS 374.357;*



1 (e) A partial abatement of taxes pursuant to NRS 360.754 on or
2 before December 31, 2056;

3 (f) A partial abatement of taxes pursuant to NRS 360.890 on or
4 before June 30, ~~2032;~~ 2033; or

5 (g) *A partial deduction of taxes pursuant to section 3 of this*
6 *act on or before June 30, 2045; or*

7 (h) An abatement of taxes pursuant to NRS 360.950 on or
8 before June 30, 2036,

9 ➤ the Department shall investigate whether the person meets the
10 eligibility requirements for the abatement, partial abatement, *partial*
11 *deduction*, exemption or deferral that the person is claiming.

12 2. If the Department finds that the person does not meet the
13 eligibility requirements for the abatement, *deduction*, exemption or
14 deferral which the person is claiming, the Department shall report its
15 findings to the Office of Economic Development and take any other
16 necessary actions.

17 **Sec. 8.** NRS 360.750 is hereby amended to read as follows:

18 360.750 1. A person who intends to locate or expand a
19 business in this State may apply to the Office of Economic
20 Development pursuant to this section for a partial abatement of one
21 or more of the taxes imposed on the:

22 (a) New business pursuant to chapter 361, 363B or 374 of NRS.

23 (b) Expanded business pursuant to chapter 361 or 363B of NRS
24 or a partial abatement of the local sales and use taxes imposed on
25 the expanded business. As used in this paragraph, "local sales and
26 use taxes" means the taxes imposed on the gross receipts of any
27 retailer from the sale of tangible personal property sold at retail, or
28 stored, used or otherwise consumed, in the political subdivision in
29 which the business is to be located or expanded, except the taxes
30 imposed by the Sales and Use Tax Act and the Local School
31 Support Tax Law.

32 2. The Office of Economic Development shall approve an
33 application for a partial abatement pursuant to this section if the
34 Office makes the following determinations:

35 (a) The business offers primary jobs and is consistent with:

36 (1) The State Plan for Economic Development developed by
37 the Executive Director of the Office of Economic Development
38 pursuant to subsection 2 of NRS 231.053; and

39 (2) Any guidelines adopted by the Executive Director of the
40 Office to implement the State Plan for Economic Development.

41 (b) Not later than 1 year after the date on which the application
42 was received by the Office, the applicant has executed an agreement
43 with the Office which must:

44 (1) Comply with the requirements of NRS 360.755;



1 (2) State the date on which the abatement becomes effective,
2 as agreed to by the applicant and the Office, which must not be
3 earlier than the date on which the Office received the application
4 and not later than 1 year after the date on which the Office approves
5 the application;

6 (3) State that the business will, after the date on which the
7 abatement becomes effective, continue in operation in this State for
8 a period specified by the Office, which must be at least 5 years, and
9 will continue to meet the eligibility requirements set forth in this
10 subsection;

11 (4) State that the business will offer primary jobs; and

12 (5) Bind the successors in interest of the business for the
13 specified period.

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

18 (d) Except as otherwise provided in subsection 4, 5 or 6, the
19 average hourly wage that will be paid by the business to its new
20 employees in this State is at least 100 percent of the average
21 statewide hourly wage as established by the Employment Security
22 Division of the Department of Employment, Training and
23 Rehabilitation on July 1 of each fiscal year.

24 (e) The business will, by the eighth calendar quarter following
25 the calendar quarter in which the abatement becomes effective, offer
26 a health insurance plan for all employees that includes an option for
27 health insurance coverage for dependents of the employees, and the
28 health care benefits the business offers to its employees in this State
29 will meet the minimum requirements for health care benefits
30 established by the Office.

31 (f) Except as otherwise provided in this subsection and NRS
32 361.0687, if the business is a new business in a county whose
33 population is 100,000 or more or a city whose population is 60,000
34 or more, the business meets at least one of the following
35 requirements:

36 (1) The business will have 50 or more full-time employees
37 on the payroll of the business by the eighth calendar quarter
38 following the calendar quarter in which the abatement becomes
39 effective who will be employed at the location of the business in
40 that county or city until at least the date which is 5 years after the
41 date on which the abatement becomes effective.

42 (2) Establishing the business will require the business to
43 make, not later than the date which is 2 years after the date on which
44 the abatement becomes effective, a capital investment of at least
45 \$1,000,000 in this State in capital assets that will be retained at the



1 location of the business in that county or city until at least the date
2 which is 5 years after the date on which the abatement becomes
3 effective.

4 (g) Except as otherwise provided in NRS 361.0687, if the
5 business is a new business in a county whose population is less than
6 100,000, in an area of a county whose population is 100,000 or more
7 that is located within the geographic boundaries of an area that is
8 designated as rural by the United States Department of Agriculture
9 and at least 20 miles outside of the geographic boundaries of an area
10 designated as urban by the United States Department of Agriculture,
11 or in a city whose population is less than 60,000, the business meets
12 at least one of the following requirements:

13 (1) The business will have 10 or more full-time employees
14 on the payroll of the business by the eighth calendar quarter
15 following the calendar quarter in which the abatement becomes
16 effective who will be employed at the location of the business in
17 that county or city until at least the date which is 5 years after the
18 date on which the abatement becomes effective.

19 (2) Establishing the business will require the business to
20 make, not later than the date which is 2 years after the date on which
21 the abatement becomes effective, a capital investment of at least
22 \$250,000 in this State in capital assets that will be retained at the
23 location of the business in that county or city until at least the date
24 which is 5 years after the date on which the abatement becomes
25 effective.

26 (h) If the business is an existing business, the business meets at
27 least one of the following requirements:

28 (1) For a business in:

29 (I) Except as otherwise provided in sub-subparagraph (II),
30 a county whose population is 100,000 or more or a city whose
31 population is 60,000 or more, the business will, by the eighth
32 calendar quarter following the calendar quarter in which the
33 abatement becomes effective, increase the number of employees on
34 its payroll in that county or city by 10 percent more than it
35 employed in the fiscal year immediately preceding the fiscal year in
36 which the abatement becomes effective or by twenty-five
37 employees, whichever is greater, who will be employed at the
38 location of the business in that county or city until at least the date
39 which is 5 years after the date on which the abatement becomes
40 effective; or

41 (II) A county whose population is less than 100,000, an
42 area of a county whose population is 100,000 or more that is located
43 within the geographic boundaries of an area that is designated as
44 rural by the United States Department of Agriculture and at least 20
45 miles outside of the geographic boundaries of an area designated as



1 urban by the United States Department of Agriculture, or a city
2 whose population is less than 60,000, the business will, by the
3 eighth calendar quarter following the calendar quarter in which the
4 abatement becomes effective, increase the number of employees on
5 its payroll in that county or city by 10 percent more than it
6 employed in the fiscal year immediately preceding the fiscal year in
7 which the abatement becomes effective or by six employees,
8 whichever is greater, who will be employed at the location of the
9 business in that county or city until at least the date which is 5 years
10 after the date on which the abatement becomes effective.

11 (2) The business will expand by making a capital investment
12 in this State, not later than the date which is 2 years after the date on
13 which the abatement becomes effective, in an amount equal to at
14 least 20 percent of the value of the tangible property possessed by
15 the business in the fiscal year immediately preceding the fiscal year
16 in which the abatement becomes effective, and the capital
17 investment will be in capital assets that will be retained at the
18 location of the business in that county or city until at least the date
19 which is 5 years after the date on which the abatement becomes
20 effective. The determination of the value of the tangible property
21 possessed by the business in the immediately preceding fiscal year
22 must be made by the:

23 (I) County assessor of the county in which the business
24 will expand, if the business is locally assessed; or

25 (II) Department, if the business is centrally assessed.

26 (i) The applicant has provided in the application an estimate of
27 the total number of new employees which the business anticipates
28 hiring in this State by the eighth calendar quarter following the
29 calendar quarter in which the abatement becomes effective if the
30 Office approves the application.

31 (j) Except as otherwise provided in subsection 3, if the business
32 will have at least 50 full-time employees on the payroll of the
33 business by the eighth calendar quarter following the calendar
34 quarter in which the abatement becomes effective, the business, by
35 the earlier of the eighth calendar quarter following the calendar
36 quarter in which the abatement becomes effective or the date on
37 which the business has at least 50 full-time employees on the payroll
38 of the business, has a policy for paid family and medical leave and
39 agrees that all employees who have been employed by the business
40 for at least 1 year will be eligible for at least 12 weeks of paid
41 family and medical leave at a rate of at least 55 percent of the
42 regular wage of the employee. The business will agree in writing
43 that if the Office approves the application, the business will not:

44 (1) Prohibit, interfere with or otherwise discourage an
45 employee from taking paid family and medical leave:



1 (I) For any reason authorized pursuant to the Family and
2 Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

3 (II) To care for any adult child, sibling or domestic
4 partner of the employee.

5 (2) Discriminate, discipline or discharge an employee for
6 taking paid family and medical leave:

7 (I) For any reason authorized pursuant to the Family and
8 Medical Leave Act of 1993, 29 U.S.C. §§ 2601 et seq.

9 (II) To care for any adult child, sibling or domestic
10 partner of the employee.

11 (3) Prohibit, interfere with or otherwise discourage an
12 employee or other person from bringing a proceeding or testifying
13 in a proceeding against the business for a violation of the policy for
14 paid family and medical leave that is required pursuant to this
15 paragraph.

16 3. For purposes of paragraph (j) of subsection 2, the Office of
17 Economic Development shall determine that a business meets the
18 requirements of that paragraph if the business has a policy for paid
19 family and medical leave for employees on the payroll of the
20 business outside of this State that meets or exceeds the requirements
21 for a policy for paid family and medical leave pursuant to that
22 paragraph and the business agrees in writing that its employees on
23 the payroll in this State are eligible for paid family and medical
24 leave under such policy.

25 4. Notwithstanding the provisions of subsection 2, the Office
26 of Economic Development:

27 (a) Shall not consider an application for a partial abatement
28 pursuant to this section unless the Office has requested a letter of
29 acknowledgment of the request for the abatement from any affected
30 county, school district, city or town.

31 (b) Shall consider the level of health care benefits provided by
32 the business to its employees, the policy of paid family and medical
33 leave provided by the business to its employees, the projected
34 economic impact of the business and the projected tax revenue of
35 the business after deducting projected revenue from the abated
36 taxes.

37 (c) May, if the Office determines that such action is necessary:

38 (1) Approve an application for a partial abatement pursuant
39 to this section by a business that does not meet the requirements set
40 forth in paragraph (f), (g) or (h) of subsection 2;

41 (2) Make any of the requirements set forth in paragraphs (d)
42 to (h), inclusive, of subsection 2 more stringent; or

43 (3) Add additional requirements that a business must meet to
44 qualify for a partial abatement pursuant to this section.



1 5. Notwithstanding any other provision of law, the Office of
2 Economic Development shall not approve an application for a
3 partial abatement pursuant to this section if:

4 (a) The applicant intends to locate or expand in a county in
5 which the rate of unemployment is 7 percent or more and the
6 average hourly wage that will be paid by the applicant to its new
7 employees in this State is less than 70 percent of the average
8 statewide hourly wage, as established by the Employment Security
9 Division of the Department of Employment, Training and
10 Rehabilitation on July 1 of each fiscal year.

11 (b) The applicant intends to locate or expand in a county in
12 which the rate of unemployment is less than 7 percent and the
13 average hourly wage that will be paid by the applicant to its new
14 employees in this State is less than 85 percent of the average
15 statewide hourly wage, as established by the Employment Security
16 Division of the Department of Employment, Training and
17 Rehabilitation on July 1 of each fiscal year.

18 ~~[(c) The applicant intends to locate in a county but has already~~
19 ~~received a partial abatement pursuant to this section for locating that~~
20 ~~business in that county.~~

21 ~~— (d) The applicant intends to expand in a county but has already~~
22 ~~received a partial abatement pursuant to this section for expanding~~
23 ~~that business in that county.~~

24 ~~— (e) The applicant has changed the name or identity of the~~
25 ~~business to evade the provisions of paragraph (c) or (d).]~~

26 6. Notwithstanding any other provision of law, if the Office of
27 Economic Development approves an application for a partial
28 abatement pursuant to this section, in determining the types of taxes
29 imposed on a new or expanded business for which the partial
30 abatement will be approved and the amount of the partial abatement:

31 (a) If the new or expanded business is located in a county in
32 which the rate of unemployment is 7 percent or more and the
33 average hourly wage that will be paid by the business to its new
34 employees in this State is less than 85 percent of the average
35 statewide hourly wage, as established by the Employment Security
36 Division of the Department of Employment, Training and
37 Rehabilitation on July 1 of each fiscal year, the Office shall not:

38 (1) Approve an abatement of the taxes imposed pursuant to
39 chapter 361 of NRS which exceeds 25 percent of the taxes on
40 personal property payable by the business each year.

41 (2) Approve an abatement of the taxes imposed pursuant to
42 chapter 363B of NRS which exceeds 25 percent of the amount of
43 tax otherwise due pursuant to NRS 363B.110.

44 (b) If the new or expanded business is located in a county in
45 which the rate of unemployment is less than 7 percent and the



1 average hourly wage that will be paid by the business to its new
2 employees in this State is less than 100 percent of the average
3 statewide hourly wage, as established by the Employment Security
4 Division of the Department of Employment, Training and
5 Rehabilitation on July 1 of each fiscal year, the Office shall not:

6 (1) Approve an abatement of the taxes imposed pursuant to
7 chapter 361 of NRS which exceeds 25 percent of the taxes on
8 personal property payable by the business each year.

9 (2) Approve an abatement of the taxes imposed pursuant to
10 chapter 363B of NRS which exceeds 25 percent of the amount of
11 tax otherwise due pursuant to NRS 363B.110.

12 7. If the Office of Economic Development approves an
13 application for a partial abatement pursuant to this section, the
14 Office shall immediately forward a certificate of eligibility for the
15 abatement to:

16 (a) The Department;

17 (b) The Nevada Tax Commission; and

18 (c) If the partial abatement is from the property tax imposed
19 pursuant to chapter 361 of NRS, the county treasurer.

20 8. An applicant for a partial abatement pursuant to this section
21 or an existing business whose partial abatement is in effect shall,
22 upon the request of the Executive Director of the Office of
23 Economic Development, furnish the Executive Director with copies
24 of all records necessary to verify that the applicant meets the
25 requirements of subsection 2.

26 9. If an applicant for a partial abatement pursuant to this
27 section fails to execute the agreement described in paragraph (b) of
28 subsection 2 within 1 year after the date on which the application
29 was received by the Office, the applicant shall not be approved for a
30 partial abatement pursuant to this section unless the applicant
31 submits a new application.

32 10. If a business whose partial abatement has been approved
33 pursuant to this section and is in effect ceases:

34 (a) To meet the requirements set forth in subsection 2; or

35 (b) Operation before the time specified in the agreement
36 described in paragraph (b) of subsection 2,

37 ➤ the business shall repay to the Department or, if the partial
38 abatement was from the property tax imposed pursuant to chapter
39 361 of NRS, to the county treasurer, the amount of the partial
40 abatement that was allowed pursuant to this section before the
41 failure of the business to comply unless the Nevada Tax
42 Commission determines that the business has substantially complied
43 with the requirements of this section. Except as otherwise provided
44 in NRS 360.232 and 360.320, the business shall, in addition to the
45 amount of the partial abatement required to be paid pursuant to this



1 subsection, pay interest on the amount due at the rate most recently
2 established pursuant to NRS 99.040 for each month, or portion
3 thereof, from the last day of the month following the period for
4 which the payment would have been made had the partial abatement
5 not been approved until the date of payment of the tax.

6 11. A county treasurer:

7 (a) Shall deposit any money that he or she receives pursuant to
8 subsection 10 in one or more of the funds established by a local
9 government of the county pursuant to NRS 354.6113 or 354.6115;
10 and

11 (b) May use the money deposited pursuant to paragraph (a) only
12 for the purposes authorized by NRS 354.6113 and 354.6115.

13 12. The Office of Economic Development may adopt such
14 regulations as the Office of Economic Development determines to
15 be necessary to carry out the provisions of this section and
16 NRS 360.755.

17 13. The Nevada Tax Commission:

18 (a) Shall adopt regulations regarding:

19 (1) The capital investment that a new business must make to
20 meet the requirement set forth in paragraph (f) or (g) of subsection
21 2; and

22 (2) Any security that a business is required to post to qualify
23 for a partial abatement pursuant to this section.

24 (b) May adopt such other regulations as the Nevada Tax
25 Commission determines to be necessary to carry out the provisions
26 of this section and NRS 360.755.

27 14. An applicant for a partial abatement pursuant to this section
28 who is aggrieved by a final decision of the Office of Economic
29 Development may petition for judicial review in the manner
30 provided in chapter 233B of NRS.

31 15. For the purposes of this section, an employee is a "full-time
32 employee" if he or she is in a permanent position of employment
33 and works an average of 30 hours per week during the applicable
34 period set forth in subsection 2.

35 **Sec. 9.** NRS 360.755 is hereby amended to read as follows:

36 360.755 1. If the Office of Economic Development approves
37 an application by a business for an abatement of taxes pursuant to
38 NRS 360.950 , ~~for~~ a partial abatement pursuant to NRS 360.750,
39 360.753, 360.754 or 360.890 ~~for~~ *or a partial deduction pursuant to*
40 *section 3 of this act*, the agreement with the Office must provide
41 that the business:

42 (a) Agrees to allow the Department to conduct audits of the
43 business to determine whether the business is in full compliance
44 with the requirements for the abatement , ~~for~~ partial abatement ~~for~~
45 *or partial deduction*; and



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

3 2. If the Department conducts an audit of the business to
4 determine whether the business is in full compliance with the
5 requirements for the abatement , ~~for~~ partial abatement ~~[,]~~ *or partial*
6 *deduction*, the Department shall, upon request, provide the audit
7 report to the Office of Economic Development.

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

12 (a) Is confidential proprietary information of the business;

13 (b) Is not a public record; and

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

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

19 (a) The audit report provided to the Office of Economic
20 Development is a public record; and

21 (b) Upon request by any person, the Executive Director of the
22 Office of Economic Development shall disclose the audit report to
23 the person who made the request, except for any information in the
24 audit report that is protected from disclosure pursuant to
25 subsection 5.

26 5. Before the Executive Director of the Office of Economic
27 Development discloses the audit report to the public, the business
28 may submit a request to the Executive Director to protect from
29 disclosure any information in the audit report which, under
30 generally accepted business practices, would be considered a trade
31 secret or other confidential proprietary information of the business.
32 After consulting with the business, the Executive Director shall
33 determine whether to protect the information from disclosure. The
34 decision of the Executive Director is final and is not subject to
35 judicial review. If the Executive Director determines to protect the
36 information from disclosure, the protected information:

37 (a) Is confidential proprietary information of the business;

38 (b) Is not a public record;

39 (c) Must be redacted by the Executive Director from any audit
40 report that is disclosed to the public; and

41 (d) Must not be disclosed to any person who is not an officer or
42 employee of the Office of Economic Development unless the
43 business consents to the disclosure.



1 **Sec. 10.** NRS 360.757 is hereby amended to read as follows:

2 360.757 1. The Office of Economic Development shall not
3 take any action on an application for any abatement of taxes
4 pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or
5 360.754 or any other specific statute *or a partial deduction of taxes*
6 *pursuant to section 3 of this act* unless the Office:

7 (a) Takes that action at a public meeting conducted for that
8 purpose; and

9 (b) At least 30 days before the meeting, provides notice of the
10 application to:

11 (1) The governing body of the county, the board of trustees
12 of the school district and the governing body of the city or town, if
13 any, in which the pertinent business is or will be located;

14 (2) The governing body of any other political subdivision
15 that could be affected by the abatement ~~§~~ *or deduction*; and

16 (3) The general public.

17 2. The notice required by this section must set forth the date,
18 time and location of the meeting at which the Office of Economic
19 Development will consider the application.

20 3. The Office of Economic Development shall adopt
21 regulations relating to the notice required by this section.

22 **Sec. 11.** NRS 360.7575 is hereby amended to read as follows:

23 360.7575 1. If the Office of Economic Development
24 approves an application for an abatement of sales and use taxes
25 pursuant to NRS 360.950 or a partial abatement of any sales and use
26 taxes pursuant to NRS 274.310, 274.320, 274.330, 360.750,
27 360.753, 360.754 or 360.890, the Department shall issue to the
28 business a document certifying the abatement or partial abatement
29 which can be presented to retailers at the time of purchase. The
30 document must clearly state that the business is not required to pay
31 sales and use taxes or the rate of sales and use tax that the business
32 is required to pay. *If the business presents to a retailer the*
33 *document issued to the business pursuant to this subsection and*
34 *does not pay sales or use tax which is not abated or deducted, the*
35 *business must comply with the provisions of subsection 2 of*
36 *section 4 of this act.*

37 2. If the Department has issued to a business a document
38 pursuant to subsection 1 and the business pays an amount of sales
39 and use taxes for which the business was entitled to an abatement *or*
40 *deduction* because the business fails to present the document, the
41 business may apply to the Department for a refund of the amount of
42 sales and use tax paid for which the business was entitled to an
43 abatement ~~§~~ *or deduction*. If the Department has issued to a
44 business a document pursuant to subsection 1 and the failure of the
45 business to present the document results in the business paying the



1 full amount of sales and use tax on 50 percent or more of the
2 purchases for which the business was eligible for the abatement ~~§~~
3 *or deduction*, the Department shall impose on the business a penalty
4 equal to 10 percent of the total amount of the abatement ~~§~~ *or*
5 *deduction*. The Department shall distribute the proceeds of any
6 penalty imposed pursuant to this subsection to each local
7 government affected by a refund issued pursuant to this subsection
8 in proportion to the amount of the refunds for which the affected
9 local government is responsible.

10 3. If, after submitting an application for an abatement of sales
11 and use taxes pursuant to NRS 360.950, ~~§~~ a partial abatement of
12 any sales and use taxes pursuant to NRS 360.750, 360.753, 360.754
13 or 360.890 *or a partial deduction pursuant to section 3 of this act*
14 and before receiving the document issued pursuant to subsection 1, a
15 business pays an amount of sales and use tax for which the business
16 is entitled to an abatement ~~§~~ *or deduction*, the business may apply
17 to the Department for a refund of the amount of sales and use tax
18 which the applicant paid for which the business is entitled to an
19 abatement ~~§~~ *or deduction*.

20 4. Notwithstanding any other provision of law, no interest is
21 allowed on a refund made pursuant to subsection 2 or 3.

22 **Sec. 12.** NRS 360.892 is hereby amended to read as follows:

23 360.892 1. Except as otherwise provided in this section, the
24 Office of Economic Development shall not approve transferable tax
25 credits:

26 (a) For Fiscal Year 2017-2018, 2018-2019, 2019-2020, 2020-
27 2021, 2021-2022, 2022-2023, 2023-2024, ~~§~~ 2024-2025 ~~§~~ *or any*
28 *subsequent fiscal year*, if approval of the transferable tax credits
29 would cause the total amount of transferable tax credits issued
30 pursuant to NRS 360.880 to 360.896, inclusive, in that Fiscal Year
31 to exceed \$7,600,000.

32 (b) For a fiscal year beginning on or after July 1, ~~§~~ *2023*.

33 2. The total amount of transferable tax credits issued pursuant
34 to NRS 360.880 to 360.896, inclusive, to all qualified projects in
35 this State must not exceed \$38,000,000.

36 3. If in any fiscal year the Office does not approve an amount
37 of transferable tax credits equal to the total amount authorized by
38 ~~paragraph (a) or (b) of~~ subsection 1, the remaining amount of
39 transferable tax credits must be carried forward and made available
40 for approval during subsequent fiscal years ending on or before
41 June 30, ~~§~~ *2033*.

42 4. Each transferable tax credit issued pursuant to NRS 360.880
43 to 360.896, inclusive, expires 4 years after the date on which the
44 transferable tax credit is issued to the lead participant. A transferable



1 tax credit issued pursuant to NRS 360.880 to 360.896, inclusive,
2 may be transferred only once.

3 **Sec. 13.** Chapter 361 of NRS is hereby amended by adding
4 thereto a new section to read as follows:

5 *1. A person who intends to locate or expand a high-impact*
6 *business in this State may, pursuant to section 3 of this act, apply*
7 *to the Office of Economic Development for a partial deduction*
8 *from the taxes imposed by this chapter on the personal property of*
9 *the high-impact business.*

10 *2. For a business to qualify pursuant to section 3 of this act*
11 *for a partial deduction from the taxes imposed by this chapter on*
12 *the personal property of the business, the Office of Economic*
13 *Development must determine that, in addition to meeting the other*
14 *requirements set forth in subsection 2 of section 3 of this act:*

15 *(a) Except as otherwise provided in paragraph (b), if the*
16 *business is a new business in a county whose population is*
17 *100,000 or more, or a city whose population is 60,000 or more, the*
18 *business will, not later than the date which is 2 years after the date*
19 *on which the deduction becomes effective, make a capital*
20 *investment in the county or city of:*

21 *(1) At least \$5,000,000 if the business is an industrial or*
22 *manufacturing business; or*

23 *(2) At least \$1,000,000 if the business is not an industrial or*
24 *manufacturing business,*

25 *↳ in capital assets that will be retained at the location of the*
26 *business in that county or city until at least the date which is 5*
27 *years after the date on which the deduction becomes effective.*

28 *(b) If the business is a new business in a county whose*
29 *population is less than 100,000, in an area of a county whose*
30 *population is 100,000 or more that is located within the*
31 *geographic boundaries of an area that is designated as rural by*
32 *the United States Department of Agriculture and at least 20 miles*
33 *outside of the geographic boundaries of an area designated as*
34 *urban by the United States Department of Agriculture, or in a city*
35 *whose population is less than 60,000, the business will, not later*
36 *than the date which is 2 years after the date on which the*
37 *deduction becomes effective, make a capital investment in the*
38 *county or city of:*

39 *(1) At least \$1,000,000 if the business is an industrial or*
40 *manufacturing business; or*

41 *(2) At least \$250,000 if the business is not an industrial or*
42 *manufacturing business,*

43 *↳ in capital assets that will be retained at the location of the*
44 *business in that county or city until at least the date which is 5*
45 *years after the date on which the deduction becomes effective.*



1 3. *If a partial deduction from the taxes imposed by this*
2 *chapter on personal property is approved by the Office of*
3 *Economic Development pursuant to section 3 of this act:*

4 (a) *The partial deduction must be:*

5 (1) *For a duration of at least 1 year but not more than 10*
6 *years;*

7 (2) *Subject to the limitations set forth in subsections 5 and*
8 *6 of section 3 of this act, in an amount calculated pursuant to*
9 *subsection 3 of section 3 of this act; and*

10 (3) *Administered and carried out in the manner set forth in*
11 *section 3 of this act.*

12 (b) *The Executive Director of the Office of Economic*
13 *Development shall notify the county assessor of the county in*
14 *which the business is or will be located of the approval of the*
15 *partial deduction, including, without limitation, the duration and*
16 *percentage of the partial deduction that the Office granted. The*
17 *Executive Director shall, on or before April 15 of each year,*
18 *advise the county assessor of each county in which a business*
19 *qualified for a partial deduction during the current fiscal year as*
20 *to whether the business is still eligible for the partial deduction in*
21 *the next succeeding fiscal year.*

22 4. *As used in this section, "high-impact business" has the*
23 *meaning ascribed to it in section 3 of this act.*

24 **Sec. 14.** Chapter 363B of NRS is hereby amended by adding
25 thereto a new section to read as follows:

26 1. *An employer who intends to locate or expand a high-*
27 *impact business in this State may, pursuant to section 3 of this act,*
28 *apply to the Office of Economic Development for a partial*
29 *deduction from the taxes otherwise due pursuant to*
30 *NRS 363B.110.*

31 2. *If a partial deduction from the taxes otherwise due*
32 *pursuant to NRS 363B.110 is approved by the Office of Economic*
33 *Development pursuant to section 3 of this act, the partial*
34 *deduction must be:*

35 (a) *For a duration of at least 1 year but not more than 10*
36 *years.*

37 (b) *Administered and carried out in the manner set forth in*
38 *section 3 of this act.*

39 (c) *In the amount calculated pursuant to subsection 3 of*
40 *section 3 of this act, subject to the limitations set forth in*
41 *subsections 5 and 6 of section 3 of this act.*

42 3. *As used in this section, "high-impact business" has the*
43 *meaning ascribed to it in section 3 of this act.*



1 **Sec. 15.** Chapter 374 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *A person who expands or intends to locate a business in*
4 *this State may, pursuant to section 3 of this act, apply to the Office*
5 *of Economic Development for a partial deduction from the taxes*
6 *imposed by this chapter on the gross receipts from the sale, and*
7 *the storage, use or other consumption, of eligible machinery or*
8 *equipment for use by a business which has been approved for a*
9 *partial deduction pursuant to section 3 of this act.*

10 2. *If an application for a partial deduction is approved*
11 *pursuant to section 3 of this act:*

12 (a) *The taxpayer is eligible for a deduction from the tax*
13 *imposed by this chapter for a duration of at least 1 year but not*
14 *more than 10 years.*

15 (b) *The deduction must be administered and carried out in the*
16 *manner set forth in section 3 of this act.*

17 (c) *Subject to the limitations set forth in subsections 5 and 6 of*
18 *section 3 of this act, the deduction must be in the amount*
19 *calculated pursuant to subsection 3 of section 3 of this act.*

20 3. *As used in this section:*

21 (a) *“Eligible machinery or equipment” means machinery or*
22 *equipment for which a deduction is authorized pursuant to 26*
23 *U.S.C. § 179. The term does not include:*

24 (1) *Buildings or the structural components of buildings;*

25 (2) *Equipment used by a public utility;*

26 (3) *Equipment used for medical treatment;*

27 (4) *Machinery or equipment used in mining; or*

28 (5) *Machinery or equipment used in gaming.*

29 (b) *“High-impact business” has the meaning ascribed to it in*
30 *section 3 of this act.*

31 **Sec. 16.** NRS 218D.355 is hereby amended to read as follows:

32 218D.355 1. Except as otherwise provided in NRS 360.753,
33 360.754, 360.893 and 360.965, *and section 3 of this act*, any state
34 legislation enacted on or after July 1, 2012, which authorizes or
35 requires the Office of Economic Development to approve any
36 abatement *or deduction* of taxes or increases the amount of any
37 abatement *or deduction* of taxes which the Office is authorized or
38 required to approve:

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

41 (b) Does not apply to:

42 (1) Any taxes imposed pursuant to NRS 374.110 and
43 374.111 or 374.190 and 374.191; or

44 (2) Any entity that receives:



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

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

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

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

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

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

18 (4) An accounting of the property taxes paid by the recipient
19 and the amount of those taxes that would have been due if not for
20 the abatement ~~§~~ *or deduction*;

21 (5) An accounting of the sales and use taxes paid by the
22 recipient and the amount of those taxes that would have been due if
23 not for the abatement ~~§~~ *or deduction*;

24 (6) An accounting of the total capital investment made in
25 connection with the project to which the abatement *or deduction*
26 applies; and

27 (7) An accounting of the total investment in personal
28 property made in connection with the project to which the
29 abatement *or deduction* applies.

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

32 (a) Based upon the information submitted to the Department of
33 Taxation pursuant to paragraph (c) of subsection 1, prepare a written
34 report of its findings regarding whether the costs of the abatement *or*
35 *deduction* exceed the benefits of the abatement ~~§~~ *or deduction*;
36 and

37 (b) Submit the report to the Director for transmittal to the
38 Legislature.

39 **Sec. 17.** Chapter 231 of NRS is hereby amended by adding
40 thereto the provisions set forth as sections 18 and 19 of this act.

41 **Sec. 18.** *“Primary jobs” has the meaning ascribed to it in*
42 *section 2 of this act.*

43 **Sec. 19. 1.** *The Office shall establish and administer a*
44 *Community Infrastructure Grant Program as a competitive grant*
45 *program to award grants, in accordance with this section, to*



1 *qualified entities to construct qualified infrastructure projects or*
2 *rural housing projects.*

3 *2. The Community Infrastructure Grant Program Account is*
4 *hereby created in the State General Fund. The Executive Director*
5 *shall administer the Account.*

6 *3. The interest and income earned on money in the Account,*
7 *after deducting any applicable charges, must be credited to the*
8 *Account.*

9 *4. Any money remaining in the Account at the end of the*
10 *fiscal year does not revert to the State General Fund, and the*
11 *balance in the Account must be carried forward to the next fiscal*
12 *year.*

13 *5. The Executive Director may accept gifts, grants and*
14 *donations from any source for deposit in the Account. Such gifts,*
15 *grants and donations must not be used to reduce or supplant the*
16 *amount or percentage of any money that would otherwise be made*
17 *available to carry out the provisions of this section.*

18 *6. The money in the Account must only be used to award*
19 *grants to qualified entities to pay the costs associated with*
20 *constructing a qualified infrastructure project or rural housing*
21 *project that:*

22 *(a) Is necessary to facilitate the expansion or relocation of a*
23 *business within the State or to address a critical housing shortage*
24 *in a rural area;*

25 *(b) Supports the creation of primary jobs; and*

26 *(c) Addresses:*

27 *(1) A recognized infrastructure need that aligns with the*
28 *State Plan for Economic Development and contributes to the*
29 *development of industries which are identified in the State Plan*
30 *for Economic Development as industries that should be targeted*
31 *for development; or*

32 *(2) A critical housing need in a rural area and will enhance*
33 *community sustainability and economic growth.*

34 *7. The Office shall use not more than 50 percent of the total*
35 *funds appropriated to the Account to provide grants for rural*
36 *housing projects.*

37 *8. The Office shall, in consultation with the Housing Division*
38 *of the Department of Business and Industry, regional development*
39 *authorities and local governments, adopt a process for qualified*
40 *entities to apply for a grant from the Account. The application*
41 *must include, without limitation:*

42 *(a) A detailed description of the project for which the grant is*
43 *sought, including, without limitation, the scope of work, the*
44 *location of the project and the projected cost of the project;*



1 (b) A demonstration that the project will address a recognized
2 infrastructure need that aligns with the State Plan for Economic
3 Development or address a critical housing need in a rural area;

4 (c) Evidence that the project is supported by the local
5 government of the jurisdiction in which the project will be located
6 and the regional development agency for that location;

7 (d) A plan to finance the project, including the sources of
8 funding for the project, and the timeline to complete the project;
9 and

10 (e) An analysis of the anticipated economic and social benefits
11 that the project will provide to the State and the local community,
12 including, without limitation, the creation of jobs, increases to tax
13 revenues or the availability of housing.

14 9. In awarding grants from the Account, the Office shall
15 prioritize applications for projects that:

16 (a) Eliminate infrastructure barriers that prevent the location
17 or expansion of businesses in this State;

18 (b) Provide long-term benefits that stabilize and diversify the
19 tax base of the State;

20 (c) Align with regional and state economic development goals;

21 (d) Will allow the State to attract or retain businesses in
22 industries that are targeted for growth under the State Plan for
23 Economic Development; and

24 (e) Leverage local, federal or private sources of funding to
25 maximize the financial impact of a grant from the Account.

26 10. The Office shall adopt regulations necessary to carry out
27 the provisions of this section.

28 11. As used in this section:

29 (a) "Qualified entity" means:

30 (1) A regional development authority that is assisting a new
31 or expanding business that requires infrastructure improvements
32 to support the expansion or relocation of the business;

33 (2) A local government seeking financial assistance for a
34 project that is necessary to support the expansion or relocation of
35 a business or the development of housing in the jurisdiction of the
36 local government; or

37 (3) An entity which has executed an agreement with a local
38 government for the development of a rural housing project in a
39 rural area.

40 (b) "Qualified infrastructure project" means:

41 (1) A project for the construction of new or extended utility
42 infrastructure, including, without limitation, water, sewer, gas,
43 electric or broadband infrastructure;



1 (2) *A project for the construction of transportation*
2 *infrastructure, including, without limitation, roads, bridges or*
3 *public transit infrastructure;*

4 (3) *The acquisition of land or site preparation necessary to*
5 *construct infrastructure;*

6 (4) *A project for the construction of infrastructure*
7 *necessary to support a residential housing development, including,*
8 *without limitation, housing that is for sale, housing that is for rent*
9 *or workforce housing;*

10 (5) *A project for the construction of a wastewater treatment*
11 *plant, a storm water management system, a renewable energy*
12 *project or other public facilities; or*

13 (6) *Any other project for the construction of infrastructure*
14 *which the Office determines is necessary for economic*
15 *development or to address a critical housing shortage.*

16 (c) *“Rural area” means:*

17 (1) *A county whose population is less than 100,000; or*

18 (2) *An incorporated city whose population is less than*
19 *60,000.*

20 **Sec. 20.** NRS 231.002 is hereby amended to read as follows:

21 231.002 As used in this chapter, unless the context otherwise
22 requires, the words and terms defined in NRS 231.003 to 231.0095,
23 inclusive, *and section 18 of this act*, have the meanings ascribed to
24 them in those sections.

25 **Sec. 21.** NRS 231.053 is hereby amended to read as follows:

26 231.053 After considering any advice and recommendations of
27 the Board, the Executive Director:

28 1. Shall direct and supervise the administrative and technical
29 activities of the Office.

30 2. Shall develop and ~~[may periodically]~~, *at least biennially*,
31 revise a State Plan for Economic Development, which:

32 (a) Must include a statement of:

33 (1) New industries which have the potential to be developed
34 in this State ~~[]~~, *including, without limitation:*

35 (I) *High-impact businesses, as defined in section 3 of*
36 *this act; and*

37 (II) *Industries which should be targeted for development*
38 *because they offer the greatest potential for economic growth and*
39 *diversification in this State;*

40 (2) The strengths and weaknesses of this State for business
41 incubation;

42 (3) The competitive advantages and weaknesses of this State;

43 (4) The manner in which this State can leverage its
44 competitive advantages and address its competitive weaknesses;



1 (5) The manner in which this State can maximize the
2 efficient use of the water resources of this State through the
3 programs of economic development in this State;

4 (6) A strategy to encourage the creation and expansion of
5 businesses in this State and the relocation of businesses to this State
6 ~~and~~, *including, without limitation, businesses that will reduce the*
7 *reliance of the State on imported goods and services through*
8 *import substitution in sectors identified as critical to the economic*
9 *security of the State, including, without limitation, mineral*
10 *processing, battery production and health care; and*

11 (7) Potential partners for the implementation of the strategy,
12 including, without limitation, the Federal Government, local
13 governments, local and regional organizations for economic
14 development, chambers of commerce, and private businesses,
15 investors and nonprofit entities; ~~and~~

16 (b) *Must include recommendations for workforce development*
17 *strategies, infrastructure improvements and community*
18 *engagement initiatives which will support the growth of the*
19 *industries identified pursuant to paragraph (a); and*

20 (c) Must not include provisions for the granting of any
21 abatement, partial abatement, *partial deduction* or exemption from
22 taxes or any other incentive for economic development to a person
23 who will locate or expand a business in this State that is subject to
24 the tax imposed pursuant to NRS 362.130 or the gaming license fees
25 imposed by the provisions of NRS 463.370.

26 3. Shall develop criteria for the designation of regional
27 development authorities pursuant to subsection 4.

28 4. Shall designate as many regional development authorities
29 for each region of this State as the Executive Director determines to
30 be appropriate to implement the State Plan for Economic
31 Development. In designating regional development authorities, the
32 Executive Director must consult with local governmental entities
33 affected by the designation. The Executive Director may, if he or
34 she determines that such action would aid in the implementation of
35 the State Plan for Economic Development, remove the designation
36 of any regional development authority previously designated
37 pursuant to this section and declare void any contract between the
38 Office and that regional development authority.

39 5. Shall establish procedures for entering into contracts with
40 regional development authorities to provide services to aid, promote
41 and encourage the economic development of this State.

42 6. May apply for and accept any gift, donation, bequest, grant
43 or other source of money to carry out the provisions of NRS
44 231.020 to 231.139, inclusive, and 231.1555 to 231.1597, inclusive.



1 7. May adopt such regulations as may be necessary to carry out
2 the provisions of NRS 231.020 to 231.139, inclusive, and 231.1555
3 to 231.1597, inclusive.

4 8. In a manner consistent with the laws of this State, may
5 reorganize the programs of economic development in this State to
6 further the State Plan for Economic Development. If, in the opinion
7 of the Executive Director, changes to the laws of this State are
8 necessary to implement the economic development strategy for this
9 State, the Executive Director must recommend the changes to the
10 Governor and the Legislature.

11 **Sec. 22.** NRS 231.0685 is hereby amended to read as follows:

12 231.0685 The Office shall, on or before January 15 of each
13 odd-numbered year, prepare and submit to the Director of the
14 Legislative Counsel Bureau for transmission to the Legislature a
15 report concerning the abatements from taxation that the Office
16 approved pursuant to NRS 274.310, 274.320, 274.330, 360.750,
17 360.753 or 360.754 ~~and~~ *and the deductions that the Office approved*
18 *pursuant to section 3 of this act.* The report must set forth, for each
19 abatement *or deduction* from taxation that the Office approved
20 during the fiscal years which are 3 fiscal years and 6 fiscal years
21 immediately preceding the submission of the report:

22 1. The dollar amount of the abatement ~~and~~ *or deduction;*

23 2. The location of the business for which the abatement *or*
24 *deduction* was approved;

25 3. The value of infrastructure included as an incentive for the
26 business;

27 4. If applicable, the number of employees that the business for
28 which the abatement *or deduction* was approved employs or will
29 employ;

30 5. Whether the business for which the abatement *or deduction*
31 was approved is a new business or an existing business;

32 6. The economic sector in which the business operates, the
33 number of primary jobs related to the business, the average wage
34 paid to employees of the business and the assessed values of
35 personal property and real property of the business;

36 7. Any information concerning whether the business for which
37 the abatement *or deduction* was approved participates or has
38 participated in a program of workforce development, as defined in
39 NRS 231.146, implemented by the Executive Director; and

40 8. Any other information that the Office determines to be
41 useful.

42 **Sec. 23.** NRS 231.1467 is hereby amended to read as follows:

43 231.1467 1. A person who wishes to provide a program of
44 workforce recruitment, assessment and training may apply to the



1 Office for approval of the program. The application must be
2 submitted on a form prescribed by the Office.

3 2. Each application must include:

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

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

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

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

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

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

21 (g) A statement of the number and types of jobs with the
22 business for which the applicant will provide the proposed program
23 of workforce recruitment, assessment and training that are available
24 or will be available upon completion of the proposed program;

25 (h) A statement demonstrating the past performance of the
26 applicant in providing programs of workforce development,
27 including, without limitation:

28 (1) The number and type of credentials and certifications
29 issued by programs of workforce development provided by the
30 applicant; and

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

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

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

37 (k) A projection of the number of **[primary]** jobs *in target*
38 *industries identified in the State Plan for Economic Development*
39 that will be served by the proposed program of workforce
40 recruitment, assessment and training and the wages for those jobs;

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

45 (m) A workforce **[diversity]** *development* action plan;



1 (n) The estimated cost of the proposed program of workforce
2 recruitment, assessment and training;

3 (o) A statement by the business for which the applicant will
4 provide the proposed program of workforce recruitment, assessment
5 and training, which commits the business to report to the Office
6 required performance metrics to enable the Office to comply with
7 NRS 231.1513;

8 (p) A report from each business for which the applicant will
9 provide the proposed program of workforce recruitment, assessment
10 and training, which sets forth the basis for any furloughs or layoffs
11 conducted by the business in the 12 months immediately preceding
12 the date of the application for the job categories related to the
13 proposed program of workforce recruitment, assessment and
14 training; and

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

16 3. Any program of workforce recruitment, assessment and
17 training pursuant to the Office pursuant to this section must:

18 (a) Include a workforce ~~[diversity]~~ *development* action plan
19 approved by the Office;

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

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

26 4. The Office shall:

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

30 (b) Ensure, through coordination with relevant state agencies
31 and by reviewing any notices required pursuant to the federal
32 Worker Adjustment and Retraining Notification Act, 29 U.S.C. §§
33 2101 et. seq., and the regulations adopted pursuant thereto, that each
34 business for which an applicant that submitted an application
35 pursuant to this section will provide a program of workforce
36 recruitment, assessment and training:

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

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

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



1 (c) Approve or disapprove each application for approval of a
2 program of workforce recruitment, assessment and training within
3 60 days after receiving a complete application; and

4 (d) Provide notice of the approval or disapproval of each
5 application to the applicant within 10 days after approving or
6 disapproving the application.

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

15 6. The Office shall approve or deny each application for an
16 allocation, grant or loan of money submitted pursuant to subsection
17 5 within 45 days after receipt of the application. When considering
18 an application, the Office shall give priority to a program of
19 workforce recruitment, assessment and training that will provide
20 workforce development services to one or more businesses that:

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

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

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

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

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

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

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

38 (a) To provide curriculum development and instructional
39 services;

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

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



1 (d) To promote the program of workforce recruitment,
2 assessment and training and for job recruiting and assessments
3 conducted through the program;

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

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

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

11 (h) To pay any other costs, not including administrative and
12 personnel costs, necessary to effectively carry out the program of
13 workforce recruitment, assessment and training.

14 8. Equipment purchased with money distributed as a grant
15 pursuant to this section is the property of the Office. At the end of
16 the grant period, the Office may recapture the equipment for
17 redistribution to other programs of workforce recruitment,
18 assessment and training provided by an authorized provider.

19 9. A business in this State may apply to the Office to
20 participate in an approved program of workforce recruitment,
21 assessment and training provided by an authorized provider. The
22 application must be submitted on a form prescribed by the Office
23 and must include, without limitation:

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

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

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

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

36 (e) A workforce ~~[diversity]~~ *development* action plan approved
37 by the Office; and

38 (f) Any other information required by the Office.

39 **Sec. 24.** NRS 231.151 is hereby amended to read as follows:

40 231.151 1. The Workforce Innovations for a New Nevada
41 Account is hereby created in the State General Fund. Any money
42 the Office receives pursuant to NRS 231.149 or that is appropriated
43 to carry out the provisions of NRS 231.141 to 231.152, inclusive ~~[]~~
44 *, or 388.380:*



1 (a) Must be deposited in the State General Fund for credit to the
2 Account; and

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

4 2. Except as otherwise provided in subsection 3, the balance
5 remaining in the Account that has not been committed for
6 expenditure on or before June 30 of an odd-numbered fiscal year
7 reverts to the State General Fund.

8 3. In calculating the uncommitted remaining balance in the
9 Account at the end of an odd-numbered fiscal year, any money in
10 the Account that is attributable to a gift, grant, donation or
11 contribution:

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

16 (b) Must be excluded from the calculation of the uncommitted
17 remaining balance in the Account at the end of each odd-numbered
18 fiscal year if necessary to comply with a term of the gift, grant,
19 donation or contribution.

20 4. The Office shall administer the Account. Any interest or
21 income earned on the money in the Account must be credited to the
22 Account. Any claims against the Account must be paid as other
23 claims against the State are paid.

24 **Sec. 25.** NRS 231.1513 is hereby amended to read as follows:

25 231.1513 The Office shall, on or before January 15 of each
26 odd-numbered year, prepare and submit to the Director of the
27 Legislative Counsel Bureau for transmission to the Legislature a
28 report concerning programs of workforce development which
29 receive money from the Workforce Innovations for a New Nevada
30 Account created by NRS 231.151. The report must include:

31 1. A summary of the expenditures from the Account;

32 2. A summary of the outcomes of the programs of workforce
33 development which receive money from the Account, including,
34 without limitation, the number of persons trained by each program,
35 the number of persons employed by businesses that participate in
36 each program and the average wages of the employees who are
37 hired through each program;

38 3. An evaluation of the workforce ~~[diversity]~~ *development*
39 action plan of each authorized provider and each business that
40 participates in a program of workforce development; and

41 4. Any other information the Executive Director of the Office
42 determines is appropriate.

43 **Sec. 26.** NRS 231A.155 is hereby amended to read as follows:

44 231A.155 1. For the purposes of NRS 231A.0753, an impact
45 qualified active low-income community business is limited to those



1 businesses which have their principal business operations in this
2 State and:

3 (a) Whose primary North American Industry Classification
4 System classification is within sector 31, 32 or 33 or sector 44 or 45;
5 or

6 (b) Are businesses that have 51 percent or more of its ownership
7 interest held by women, disabled veterans, persons who are lesbian,
8 gay, bisexual or transgender or members of a racial or ethnic
9 minority group.

10 2. A business must be considered an impact qualified active
11 low-income community business for the duration of the impact
12 qualified community development entity's investment in, or loan to,
13 the business if the entity reasonably expects, at the time it makes the
14 investment or loan, that the business will continue to satisfy the
15 requirements for being an impact qualified active low-income
16 community business throughout the entire period of the investment
17 or loan.

18 3. Except as otherwise provided in this subsection, the
19 businesses limited by this section do not include any business that
20 derives or projects to derive 15 percent or more of its annual
21 revenue from the rental or sale of real estate. This exclusion does
22 not apply to a business that is controlled by, or under common
23 control with, another business if the second business:

24 (a) Does not derive or project to derive 15 percent or more of its
25 annual revenue from the rental or sale of real estate; and

26 (b) Is the primary tenant of the real estate leased from the first
27 business.

28 4. Except as otherwise provided in subsection 5, the following
29 businesses are not impact qualified active low-income community
30 businesses:

31 (a) A business that has received an abatement from taxation
32 pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or
33 360.754 **H** *or a deduction pursuant to section 3 of this act.*

34 (b) An entity that has liability for insurance premium tax on a
35 premium tax report filed pursuant to NRS 680B.030.

36 (c) A business engaged in banking or lending.

37 (d) A massage parlor.

38 (e) A bath house.

39 (f) A tanning salon.

40 (g) A country club.

41 (h) A business operating under a nonrestricted license for
42 gaming issued pursuant to NRS 463.170.

43 (i) A liquor store.

44 (j) A golf course.



1 5. A business that has received an abatement from taxation
2 pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or
3 360.754 *or a deduction pursuant to section 3 of this act* is an
4 impact qualified active low-income community business if the
5 business elects to waive the abatement *or deduction* and provides
6 written notice of the waiver of the abatement *or deduction* to the
7 Office of Economic Development not later than the due date of the
8 first payment of any tax which would be abated *or deducted* if
9 the abatement *or deduction* became effective. If the business
10 provides the written notice to the Office of Economic Development:

11 (a) Within the period required by this subsection:

12 (1) Any agreement entered into by the business and the
13 Office of Economic Development pursuant to NRS 274.310,
14 274.320, 274.330, 360.750, 360.753 or 360.754 *or section 3 of this*
15 *act* is void; and

16 (2) The Office of Economic Development must forward a
17 copy of the written notice to the Department and each governmental
18 entity or official to whom a copy of the certificate of eligibility for
19 the abatement *or deduction* was forwarded.

20 (b) After the period required by this subsection has expired, the
21 Office of Economic Development must provide written notice to the
22 Department and the business that the abatement *or deduction* has
23 not been waived and the business is not an impact qualified active
24 low-income community business.

25 **Sec. 27.** NRS 231A.170 is hereby amended to read as follows:

26 231A.170 1. For the purpose of NRS 231A.110, a qualified
27 active low-income community business is limited to those
28 businesses meeting the Small Business Administration size
29 eligibility standards established in 13 C.F.R. §§ 121.101 to 201,
30 inclusive, at the time the qualified low-income community
31 investment is made. A business must be considered a qualified
32 active low-income community business for the duration of the
33 qualified community development entity's investment in, or loan to,
34 the business if the entity reasonably expects, at the time it makes the
35 investment or loan, that the business will continue to satisfy the
36 requirements for being a qualified active low-income community
37 business, other than the Small Business Administration size
38 standards, throughout the entire period of the investment or loan.

39 2. Except as otherwise provided in this subsection, the
40 businesses limited by this section do not include any business that
41 derives or projects to derive 15 percent or more of its annual
42 revenue from the rental or sale of real estate. This exclusion does
43 not apply to a business that is controlled by, or under common
44 control with, another business if the second business:



1 (a) Does not derive or project to derive 15 percent or more of its
2 annual revenue from the rental or sale of real estate; and

3 (b) Is the primary tenant of the real estate leased from the first
4 business.

5 3. Except as otherwise provided in subsection 4, the following
6 businesses are not qualified active low-income community
7 businesses:

8 (a) A business that has received an abatement from taxation
9 pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or
10 360.754 **or a deduction pursuant to section 3 of this act.**

11 (b) An entity that has liability for insurance premium tax on a
12 premium tax report filed pursuant to NRS 680B.030.

13 (c) A business engaged in banking or lending.

14 (d) A massage parlor.

15 (e) A bath house.

16 (f) A tanning salon.

17 (g) A country club.

18 (h) A business operating under a nonrestricted license for
19 gaming issued pursuant to NRS 463.170.

20 (i) A liquor store.

21 (j) A golf course.

22 4. A business that has received an abatement from taxation
23 pursuant to NRS 274.310, 274.320, 274.330, 360.750, 360.753 or
24 360.754 **or a deduction pursuant to section 3 of this act** is a
25 qualified active low-income community business if the business
26 elects to waive the abatement **or deduction** and provides written
27 notice of the waiver of the abatement **or deduction** to the Office of
28 Economic Development not later than the due date of the first
29 payment of any tax which would be abated **or deducted** if the
30 abatement **or deduction** became effective. If the business provides
31 the written notice to the Office of Economic Development:

32 (a) Within the period required by this subsection:

33 (1) Any agreement entered into by the business and the
34 Office of Economic Development pursuant to NRS 274.310,
35 274.320, 274.330, 360.750, 360.753 or 360.754 **or section 3 of this**
36 **act** is void; and

37 (2) The Office of Economic Development must forward a
38 copy of the written notice to the Department and each governmental
39 entity or official to whom a copy of the certificate of eligibility for
40 the abatement **or deduction** was forwarded.

41 (b) After the period required by this subsection has expired, the
42 Office of Economic Development must provide written notice to the
43 Department and the business that the abatement **or deduction** has
44 not been waived and the business is not a qualified active low-
45 income community business.



1 **Sec. 28.** Chapter 232 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 1. *The Department and the Office of Economic Development*
4 *shall jointly establish a program to reimburse qualified persons*
5 *who are or were enrolled in an institution within the Nevada*
6 *System of Higher Education for:*

7 (a) *Tuition, registration fees or other mandatory fees to enroll*
8 *in courses that lead to an undergraduate degree or certificate in a*
9 *trade-related field at an institution within the System.*

10 (b) *Living expenses, educational supplies and other expenses*
11 *associated with completing a program that leads to an*
12 *undergraduate degree or certificate in a trade-related field at an*
13 *institution within the System.*

14 2. *A person who receives reimbursement pursuant to this*
15 *section must repay the amount of the reimbursement unless the*
16 *person:*

17 (a) *Completes the program in a trade-related field for which*
18 *the reimbursement was received.*

19 (b) *Maintains employment in a trade-related field in a rural*
20 *county for not less than 2 years after completing the program.*

21 (c) *Commences his or her employment in a trade-related field*
22 *in a rural county within 1 year after completing the program.*

23 3. *The Office of Economic Development shall:*

24 (a) *In coordination with the Department of Education and the*
25 *Department, establish criteria to review and approve applications*
26 *for reimbursement submitted pursuant to this section.*

27 (b) *Collaborate with employers and industry representatives in*
28 *rural counties to create job placement programs that align with*
29 *the education and skills acquired by persons who complete*
30 *programs in trade-related fields provided by an institution within*
31 *the Nevada System of Higher Education, giving priority to*
32 *programs that will support the hiring of qualified persons who*
33 *receive reimbursement pursuant to this section and for which*
34 *alternative programs are not available, including, without*
35 *limitation, construction, health care, renewable energy and*
36 *advanced manufacturing.*

37 (c) *On or before August 1 of each year, publish a report on the*
38 *Internet website of the Office detailing the number of qualified*
39 *persons who received reimbursement pursuant to this section and*
40 *the impact of the program established pursuant to subsection 1 on*
41 *workforce development in rural counties.*

42 (d) *Adopt regulations necessary to carry out the provisions of*
43 *this section, including, without limitation, regulations*
44 *establishing:*



1 (1) *The form and requirements for any application for*
2 *reimbursement pursuant to this section.*

3 (2) *The fields that are trade-related fields for the purposes*
4 *of this section.*

5 (3) *The terms under which repayment must be made*
6 *pursuant to subsection 2.*

7 (4) *Any reporting requirements or other mechanisms that*
8 *will be used by the Office to track compliance with the*
9 *requirements of subsection 2.*

10 4. *As used in this section:*

11 (a) *“Qualified person” means a person who has successfully*
12 *completed a program of career and technical education provided*
13 *by a school district pursuant to NRS 388.380.*

14 (b) *“Rural county” means a county whose population is less*
15 *than 100,000.*

16 **Sec. 29.** NRS 232.900 is hereby amended to read as follows:
17 232.900 As used in NRS 232.900 to 232.990, inclusive, *and*
18 *section 28 of this act*, unless the context otherwise requires:

19 1. “Department” means the Department of Employment,
20 Training and Rehabilitation.

21 2. “Director” means the Director of the Department.

22 **Sec. 30.** NRS 353.207 is hereby amended to read as follows:
23 353.207 1. The Chief shall:

24 (a) Require the Office of Economic Development and the Office
25 of Energy each periodically to conduct an analysis of the relative
26 costs and benefits of each incentive for economic development
27 previously approved by the respective office and in effect during the
28 immediately preceding 2 fiscal years, including, without limitation,
29 any abatement of taxes approved by the Office of Economic
30 Development pursuant to NRS 274.310, 274.320, 274.330, 360.750,
31 360.753, 360.754, 360.890, 360.950, 361.0687, 374.357 or
32 701A.210, *or a deduction approved pursuant to section 3 of this*
33 *act*, to assist the Governor and the Legislature in determining
34 whether the economic benefits of the incentive have accomplished
35 the purposes of the statute pursuant to which the incentive was
36 approved and warrant additional incentives of that kind;

37 (b) Require each office to report in writing to the Chief the
38 results of the analysis conducted by the office pursuant to paragraph
39 (a); and

40 (c) Establish a schedule for performing and reporting the results
41 of the analysis required by paragraph (a) which ensures that the
42 results of the analysis reported by each office are included in the
43 proposed budget prepared pursuant to NRS 353.205, as required by
44 that section.



1 2. Each report prepared for the Chief pursuant to this section is
2 a public record and is open to inspection pursuant to the provisions
3 of NRS 239.010.

4 **Sec. 31.** Chapter 388 of NRS is hereby amended by adding
5 thereto a new section to read as follows:

6 *1. To the extent money is made available for this purpose by*
7 *the Department of Employment, Training and Rehabilitation, the*
8 *State Board shall, in collaboration with the Department of*
9 *Employment, Training and Rehabilitation and the Office of*
10 *Economic Development, establish a program to incentivize*
11 *industry professionals to act as part-time teachers for programs of*
12 *career and technical education by providing stipends to the*
13 *employer of such industry professionals to reimburse them for the*
14 *time such employees dedicate to teaching.*

15 *2. Under the program established pursuant to subsection 1,*
16 *employers may receive a stipend for up to 120 hours of teaching*
17 *time per year, at a fixed hourly rate established by the State Board.*

18 *3. An employer that applies for and is approved for a stipend*
19 *pursuant to this section may elect to donate the amount of the*
20 *stipend to the school district in which the employee teaches to be*
21 *used for costs associated with the program of career and technical*
22 *education.*

23 *4. An employer that receives a stipend must provide the*
24 *employee with the full compensation and benefits which the*
25 *employee would receive if the employee was not acting as a part-*
26 *time teacher for a program of career and technical education.*

27 *5. The employee for whom a stipend is received must be*
28 *qualified to act as a teacher of career and technical education by*
29 *holding the appropriate license to teach such a course.*

30 *6. The State Board shall adopt regulations necessary to carry*
31 *out the provisions of this section, including, without limitation,*
32 *provisions establishing:*

33 *(a) The eligibility requirements for employers to receive a*
34 *stipend;*

35 *(b) The process for applying for a stipend; and*

36 *(c) A requirement for each employer that receives a stipend to*
37 *submit an annual report detailing the number of hours taught by*
38 *the employees of the employer and the impact of the employee's*
39 *work as an instructor for a program of career and technical*
40 *education.*

41 **Sec. 32.** NRS 388.380 is hereby amended to read as follows:

42 388.380 1. Except as otherwise provided in subsection 3, the
43 board of trustees of a school district in a county whose population is
44 100,000 or more shall and any other board of trustees of a school
45 district may:



1 (a) Establish and maintain a program of career and technical
2 education ~~[giving]~~ :

3 (1) *Giving* instruction in the subjects approved by the State
4 Board ~~[.]~~; and

5 (2) *Which includes curricula designed in cooperation with*
6 *local businesses through talent pipeline agreements pursuant to*
7 *subsection 5.*

8 (b) Raise and expend money ~~[for the]~~ :

9 (1) *For the* establishment and maintenance of a program of
10 career and technical education.

11 (2) *To support partnerships under talent pipeline*
12 *agreements entered into pursuant to subsection 5.*

13 2. A pupil who successfully completes a program of career and
14 technical education and who otherwise satisfies the requirements for
15 graduation from high school must be awarded a high school diploma
16 with an endorsement indicating that the pupil has successfully
17 completed the program of career and technical education. The
18 provisions of this subsection do not preclude a pupil from receiving
19 more than one endorsement on his or her diploma, if applicable.

20 3. The board of trustees of each school district shall
21 incorporate into the curriculum:

22 (a) Guidance and counseling in career and technical education in
23 accordance with NRS 389.041; ~~[and]~~

24 (b) Technology ~~[.]~~; and

25 (c) *Work-based learning that includes practical, hands-on*
26 *learning experiences provided through internships,*
27 *apprenticeships or short-term career experiences in collaboration*
28 *with local businesses under a talent pipeline agreement entered*
29 *into pursuant to subsection 5.*

30 4. The State Board shall adopt regulations ~~[prescribing]~~ :

31 (a) *Prescribing* the endorsement of career and technical
32 education for a high school diploma.

33 (b) *Establishing criteria which businesses must meet to be*
34 *eligible to enter into a talent pipeline agreement.*

35 (c) *Necessary to carry out the provisions of this section.*

36 5. *The board of trustees of a school district that offers a*
37 *program of career and technical education shall enter into talent*
38 *pipeline agreements with local businesses to facilitate the*
39 *participation of pupils in internships, apprenticeships and short-*
40 *term career experiences. A talent pipeline agreement must be*
41 *designed to align programs of career and technical education with*
42 *local workforce needs and must include:*

43 (a) *Annual career experiences for pupils, including, without*
44 *limitation, job shadowing, site tours or other short-term*
45 *experiences which expose pupils to career options.*



1 (b) *Paid or unpaid internships and apprenticeships offered to*
2 *pupils during the summer or as part-time positions during the*
3 *school year.*

4 (c) *Agreements by businesses to prioritize the hiring of high*
5 *school graduates who have completed an internship,*
6 *apprenticeship or other career readiness activity under the talent*
7 *pipeline agreement.*

8 (d) *Career counseling for pupils, including, without limitation,*
9 *guidance on navigating internship and apprenticeship*
10 *opportunities and understanding employment opportunities that*
11 *are available after graduation.*

12 6. *The Office of Economic Development, in collaboration*
13 *with the Department, shall establish a program to award grants to*
14 *school districts that have active talent pipeline agreements with*
15 *local businesses using funds from the Workforce Innovations for*
16 *a New Nevada Account created by NRS 231.151. Such grant*
17 *funding may be used to improve or expand the programs of career*
18 *and technical education within the recipient school district,*
19 *including, without limitation, by:*

20 (a) *Purchasing equipment upgrades relevant to the industry*
21 *sectors for which the school district has active talent pipeline*
22 *agreements; or*

23 (b) *Constructing or renovating shared training spaces used by*
24 *pupils and participating businesses.*

25 7. *On or before January 15 of each year, a business which is*
26 *party to an active talent pipeline agreement shall submit to the*
27 *State Board and the Office of Economic Development a report that*
28 *includes, without limitation:*

29 (a) *The number of pupils who participated in internships,*
30 *apprenticeships or other career experiences in the immediately*
31 *preceding year.*

32 (b) *The number of employees currently employed by the*
33 *business who, as pupils, participated in internships,*
34 *apprenticeships or other career experiences under the talent*
35 *pipeline agreement.*

36 **Sec. 33.** NRS 701A.210 is hereby amended to read as follows:

37 701A.210 1. Except as otherwise provided in this section, *the*
38 *Office of Economic Development may grant a business a partial*
39 *abatement from the taxes imposed on real property pursuant to*
40 *chapter 361 of NRS if : ~~{a:}~~*

41 (a) ~~{Business that engages}~~ *The business:*

42 (1) *Engages* in the primary trade of preparing, fabricating,
43 manufacturing or otherwise processing raw material or an
44 intermediate product through a process in which at least 50 percent
45 of the material or product is recycled on-site; ~~{or}~~



1 ~~—(b) Business that includes]~~

2 (2) *Includes* as a primary component a facility for the
3 generation of electricity from recycled material ~~];~~
4 ~~→ is found by the Office of Economic Development to have] or a~~
5 *facility for the production of biofuels, biomass or other primary*
6 *fuels for energy production from recycled material; or*

7 (3) *Primarily engages in the recycling or repurposing of*
8 *materials that were used to produce or store renewable energy,*
9 *including, without limitation, materials used in solar panels or*
10 *waste materials resulting from the extraction of minerals;*

11 (b) *The Office finds that the business has* as a primary purpose
12 the conservation of energy , ~~for]~~ the substitution of other sources of
13 energy for fossil sources of energy ~~[and]~~ *or the advancement of the*
14 *environmental sustainability and energy goals of this State;*

15 (c) *The business* obtains certification from the Office ~~[of~~
16 ~~Economic Development]~~ pursuant to NRS 360.750 ~~[- the Office~~
17 ~~may, if the]; and~~

18 (d) *The business [additionally]* satisfies the requirements set
19 forth in subsection 2 of NRS 361.0687 . ~~[- grant to the business a~~
20 ~~partial abatement from the taxes imposed on real property pursuant~~
21 ~~to chapter 361 of NRS.]~~

22 2. If a partial abatement from the taxes imposed on real
23 property pursuant to chapter 361 of NRS is approved by the Office
24 of Economic Development pursuant to NRS 360.750 for a business
25 described in subsection 1:

26 (a) The partial abatement must:

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

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

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

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

42 3. The partial abatement provided in this section applies only
43 to the business for which certification was granted pursuant to NRS
44 360.750 and the property used in connection with that business. The
45 exemption does not apply to property in this State that is not related



1 to the business for which the certification was granted pursuant to
2 NRS 360.750 or to property in existence and subject to taxation
3 before the certification was granted.

4 4. As used in this section ~~[, “facility”]~~ :

5 (a) *“Anaerobic digestion” means the breaking down of*
6 *organic waste using anaerobic bacteria to create biofuel.*

7 (b) *“Biofuel” means any alcohol, ether, ester or other*
8 *chemical compound made from herbaceous plants, woody plants*
9 *or organic waste.*

10 (c) *“Biomass” means any organic matter that is available on a*
11 *renewable basis, including, without limitation:*

12 (1) *Agricultural crops and agricultural wastes and*
13 *residues;*

14 (2) *Wood and wood wastes and residues;*

15 (3) *Animal wastes;*

16 (4) *Municipal wastes; and*

17 (5) *Aquatic plants.*

18 (d) *“Facility for the generation of electricity from recycled*
19 *material” means a facility for the generation of electricity that uses*
20 *recycled material as its primary fuel, including material from:*

21 ~~[(a)]~~ (1) *Industrial or domestic waste, other than hazardous*
22 *waste, even though it includes a product made from oil, natural gas*
23 *or coal, such as plastics, asphalt shingles or tires;*

24 ~~[(b)]~~ (2) *Agricultural crops, whether terrestrial or aquatic, and*
25 *agricultural waste, such as manure and residue from crops; and*

26 ~~[(c)]~~ (3) *Municipal waste, such as sewage and sludge.*

27 ➔ *The term includes all the equipment in the facility used to process*
28 *and convert into electricity the energy derived from a recycled*
29 *material fuel ~~[(d)]~~ and a facility for the generation of electricity*
30 *through modified microbial fuel cells.*

31 (e) *“Facility for the production of biofuels, biomass or other*
32 *primary fuels from recycled material” means a facility for the*
33 *production of biofuels, biomass or other primary fuels that uses*
34 *recycled material to produce biofuels, biomass or other primary*
35 *fuels for use in the generation of energy, including material from:*

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

39 (2) *Agricultural crops, whether terrestrial or aquatic, and*
40 *agricultural waste, such as manure and residue from crops; and*

41 (3) *Municipal waste, such as sewage and sludge.*

42 ➔ *The term includes all the equipment in the facility used to*
43 *process and convert into biofuels, biomass or other primary fuels*
44 *the energy derived from a recycled material and a facility for the*
45 *production of biofuels, biomass or other primary fuels through*



1 *gasification and pyrolysis, anaerobic digestion, the recovery of gas*
2 *from landfills, triboelectric devices or the recycling of solar*
3 *panels.*

4 (f) *“Gasification and pyrolysis” means the use of heat to*
5 *convert waste into synthesis gas.*

6 (g) *“Modified microbial fuel cell” means the use of*
7 *microorganisms to convert the chemical energy in organic waste*
8 *into electricity while simultaneously treating wastewater.*

9 (h) *“Recycled material” includes, without limitation, critical*
10 *materials, waste materials from the extraction of minerals and*
11 *products for the production or storage of renewable energy that*
12 *are recycled or repurposed.*

13 (i) *“Renewable energy”:*

14 (1) *Means:*

15 (I) *Biomass;*

16 (II) *Fuel cells;*

17 (III) *Geothermal energy;*

18 (IV) *Solar energy;*

19 (V) *Waterpower; and*

20 (VI) *Wind.*

21 (2) *Does not include coal, natural gas, oil, propane or any*
22 *other fossil fuel, or nuclear energy.*

23 (j) *“Triboelectric device” means a device that converts energy*
24 *from ambient vibrations into electricity.*

25 **Sec. 34.** Section 69 of chapter 2, Statutes of Nevada 2015,
26 29th Special Session, at page 54, is hereby amended to read as
27 follows:

28 Sec. 69. 1. This section and sections 1 to 32,
29 inclusive, 33.5, 34 to 45, inclusive, and 46 to 68, inclusive, of
30 this act become effective upon passage and approval.

31 2. Sections 1 to 18, inclusive, of this act expire by
32 limitation on June 30, ~~2032.~~ 2033.

33 3. The amendatory provisions of sections 30, 31, 34, 41
34 to 44, inclusive, 46 and 63 of this act expire by limitation on
35 June 30, ~~2032.~~ 2033.

36 4. Sections 33 and 45.5 of this act become effective on
37 July 1, ~~2032.~~ 2033.

38 **Sec. 35.** The provisions of subsection 1 of NRS 218D.380 do
39 not apply to any provision of this act which adds or revises a
40 requirement to submit a report to the Legislature.

41 **Sec. 36.** The provisions of NRS 354.599 do not apply to any
42 additional expenses of a local government that are related to the
43 provisions of this act.

44 **Sec. 37.** The Legislature hereby finds that each abatement or
45 deduction provided by this act from any ad valorem tax on property



1 or excise tax on the sale, storage, use or other consumption of
2 tangible personal property sold at retail:

3 1. Will achieve a bona fide social or economic purpose and the
4 benefits of the abatement or deduction are expected to exceed any
5 adverse effect of the abatement or deduction on the provision of
6 services to the public by the State or a local government that would
7 otherwise receive revenue from the tax from which the abatement or
8 deduction would be granted; and

9 2. Will not impair adversely the ability of the State or a local
10 government to pay, when due, all interest and principal on any
11 outstanding bonds or any other obligations for which revenue from
12 the tax from which the abatement or deduction would be granted
13 was pledged.

14 **Sec. 38.** NRS 231.1468 is hereby repealed.

15 **Sec. 39.** 1. This act becomes effective on July 1, 2025.

16 2. Sections 3, 13, 14, 15 and 33 of this act expire by limitation
17 on June 30, 2045.

TEXT OF REPEALED SECTION

231.1468 Required contents of workforce diversity action plan. 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 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.



