

ASSEMBLY BILL NO. 140—COMMITTEE
ON GOVERNMENT AFFAIRS

FEBRUARY 18, 2013

Referred to Committee on Government Affairs

SUMMARY—Enacts provisions governing the posting of eligibility requirements for certain abatements and contracts. (BDR 27-239)

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

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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; enacting provisions governing the posting of eligibility requirements for certain abatements and contracts; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Under existing law, the Local Government Purchasing Act and the State
2 Purchasing Act provide procedures and requirements for the purchase of supplies,
3 materials, equipment and services by local governments and the State. (Chapters
4 332 and 333 of NRS) Existing law also sets forth the procedures and requirements
5 for bidding on contracts for public works. (Chapter 338 of NRS) **Sections 1, 2 and**
6 **6** of this bill require a governmental entity or, in certain circumstances, its
7 authorized representative to notify the Director of the Department of Employment,
8 Training and Rehabilitation of any eligibility requirements relating to the creation
9 of jobs included in the local or state purchasing contract or public works contract
10 awarded by the governmental entity or its authorized representative.

11 Existing law authorizes the Office of Economic Development to grant to certain
12 businesses partial abatements of property taxes, business taxes and local sales and
13 use taxes. (NRS 274.330, 360.750, 361.0687, 363B.120, 374.357, 701A.210) If the
14 Office approves certain abatements from taxation, **sections 5 and 8-12** of this bill
15 require the Office to notify the Director of the Department of Employment,
16 Training and Rehabilitation of any eligibility requirements for each of those
17 abatements relating to the creation of jobs.

18 **Section 4** of this bill requires the Director of the Department of Employment,
19 Training and Rehabilitation to: (1) establish and maintain an Internet website to
20 provide information to assist persons seeking employment in this State and
21 businesses seeking to meet their workforce needs in this State; and (2) post on that
22 Internet website information concerning eligibility requirements for each of the



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23 abatements from taxation and awards of contracts for which the Director receives
24 notice.
25 Existing law also requires each recipient of an abatement of taxes to submit to
26 the Department of Taxation a biennial report concerning whether the recipient is in
27 compliance with the terms of the abatement. (NRS 218D.355) **Section 3** of this bill
28 requires the report to include any eligibility requirements for the abatement relating
29 to the creation of jobs.

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

1 **Section 1.** Chapter 332 of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *If a governing body or its authorized representative awards a*
4 *contract pursuant to this chapter that includes the creation of jobs*
5 *as an eligibility requirement, upon the award of the contract, the*
6 *governing body or its authorized representative shall notify the*
7 *Director of the Department of Employment, Training and*
8 *Rehabilitation of any eligibility requirements for the contract*
9 *relating to the creation of jobs, including, without limitation, the*
10 *number of persons that the person to whom the contract was*
11 *awarded is required to employ.*

12 **Sec. 2.** Chapter 333 of NRS is hereby amended by adding
13 thereto a new section to read as follows:

14 *If the Administrator or a using agency awards a contract*
15 *pursuant to this chapter that includes the creation of jobs as an*
16 *eligibility requirement, upon the award of the contract, the*
17 *Administrator or the using agency, as appropriate, shall notify the*
18 *Director of the Department of Employment, Training and*
19 *Rehabilitation of any eligibility requirements for the contract*
20 *relating to the creation of jobs, including, without limitation, the*
21 *number of persons that the person to whom the contract was*
22 *awarded is required to employ.*

23 **Sec. 3.** NRS 218D.355 is hereby amended to read as follows:
24 218D.355 1. Any state legislation enacted on or after July 1,
25 2012, which authorizes or requires the Office of Economic
26 Development to approve any abatement of taxes or increases the
27 amount of any abatement of taxes which the Office is authorized or
28 required to approve:

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

31 (b) Does not apply to:

32 (1) Any taxes imposed pursuant to NRS 374.110 or 374.190;

33 or

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

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

13 (2) *Any eligibility requirements for the abatement relating*
14 *to the creation of jobs including, without limitation, the number of*
15 *persons that the recipient of the abatement is required to employ;*

16 (3) The number of employees actually employed by the
17 recipient and the average hourly wage of those employees;

18 ~~(3)~~ (4) An accounting of any fees paid by the recipient to
19 the State and to local governmental entities;

20 ~~(4)~~ (5) An accounting of the property taxes paid by the
21 recipient and the amount of those taxes that would have been due if
22 not for the abatement;

23 ~~(5)~~ (6) An accounting of the sales and use taxes paid by the
24 recipient and the amount of those taxes that would have been due if
25 not for the abatement;

26 ~~(6)~~ (7) An accounting of the total capital investment made
27 in connection with the project to which the abatement applies; and

28 ~~(7)~~ (8) An accounting of the total investment in personal
29 property made in connection with the project to which the
30 abatement applies.

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

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

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

39 **Sec. 4.** NRS 232.920 is hereby amended to read as follows:

40 232.920 The Director:

41 1. Shall:

42 (a) Organize the Department into divisions and other operating
43 units as needed to achieve the purposes of the Department;

44 (b) Upon request, provide the Director of the Department of
45 Administration with a list of organizations and agencies in this State



1 whose primary purpose is the training and employment of persons
2 with disabilities;

3 (c) Except as otherwise provided by a specific statute, direct the
4 divisions to share information in their records with agencies of local
5 governments which are responsible for the collection of debts or
6 obligations if the confidentiality of the information is otherwise
7 maintained under the terms and conditions required by law; ~~and~~

8 (d) Provide the employment and wage information to the Board
9 of Regents of the University of Nevada for purposes of the reporting
10 required of the Board of Regents by subsection 4 of NRS 396.531
11 ~~+~~;

12 (e) *Establish and maintain an Internet website to provide*
13 *information to assist persons seeking employment in this State and*
14 *businesses seeking to meet their workforce needs in this State; and*

15 (f) *Post on the Internet website established pursuant to*
16 *paragraph (e) the information concerning eligibility requirements*
17 *for abatements of taxes and awards of contracts for which the*
18 *Department receives notice pursuant to sections 1, 2, 5, 6 and 8 to*
19 *12, inclusive, of this act.*

20 2. Is responsible for the administration, through the divisions
21 of the Department, of the provisions of NRS 426.010 to 426.720,
22 inclusive, 426.740, 426.790 and 426.800, and chapters 612 and 615
23 of NRS, and all other provisions of law relating to the functions of
24 the Department and its divisions, but is not responsible for the
25 professional line activities of the divisions or other operating units
26 except as otherwise provided by specific statute.

27 3. May employ, within the limits of legislative appropriations,
28 such staff as is necessary for the performance of the duties of the
29 Department.

30 **Sec. 5.** Chapter 274 of NRS is hereby amended by adding
31 thereto a new section to read as follows:

32 *If the Office of Economic Development approves an abatement*
33 *or partial abatement of taxes pursuant to this chapter that includes*
34 *the creation of jobs as an eligibility requirement, upon approval of*
35 *the abatement, the Office shall notify the Director of the*
36 *Department of Employment, Training and Rehabilitation of any*
37 *eligibility requirements for the abatement relating to the creation*
38 *of jobs, including, without limitation, the number of persons that*
39 *the recipient of the abatement is required to employ.*

40 **Sec. 6.** Chapter 338 of NRS is hereby amended by adding
41 thereto a new section to read as follows:

42 *If a public body or its authorized representative awards a*
43 *contract pursuant to this chapter that includes the creation of jobs*
44 *as an eligibility requirement, upon the award of the contract, the*
45 *public body or its authorized representative shall notify the*



1 *Director of the Department of Employment, Training and*
2 *Rehabilitation of any eligibility requirements for the contract*
3 *relating to the creation of jobs, including, without limitation, the*
4 *number of persons that the person to whom the contract was*
5 *awarded is required to employ.*

6 **Sec. 7.** NRS 338.0115 is hereby amended to read as follows:

7 338.0115 1. Except as otherwise provided in subsection 2,
8 the provisions of this chapter and chapters 332 and 339 of NRS do
9 not apply to a contract under which a private developer, for the
10 benefit of a private development, constructs a water or sewer line
11 extension and any related appurtenances:

12 (a) Which qualify as a public work pursuant to NRS 338.010;
13 and

14 (b) For which the developer will receive a monetary contribution
15 or refund from a public body as reimbursement for a portion of the
16 costs of the project.

17 2. If, pursuant to the provisions of such a contract, the
18 developer is not responsible for paying all of the initial construction
19 costs of the project, the provisions of NRS 338.0117, 338.013 to
20 338.090, inclusive, and 338.1373 to 338.148, inclusive, *and section*
21 *6 of this act* apply to the contract.

22 **Sec. 8.** Chapter 360 of NRS is hereby amended by adding
23 thereto a new section to read as follows:

24 *If the Office of Economic Development approves an abatement*
25 *or partial abatement of taxes pursuant to this chapter that includes*
26 *the creation of jobs as an eligibility requirement, upon approval of*
27 *the abatement, the Office shall notify the Director of the*
28 *Department of Employment, Training and Rehabilitation of any*
29 *eligibility requirements for the abatement relating to the creation*
30 *of jobs, including, without limitation, the number of persons that*
31 *the recipient of the abatement is required to employ.*

32 **Sec. 9.** Chapter 361 of NRS is hereby amended by adding
33 thereto a new section to read as follows:

34 *If the Office of Economic Development approves an abatement*
35 *or partial abatement of any taxes imposed pursuant to this chapter*
36 *that includes the creation of jobs as an eligibility requirement,*
37 *upon approval of the abatement, the Office shall notify the*
38 *Director of the Department of Employment, Training and*
39 *Rehabilitation of any eligibility requirements for the abatement*
40 *relating to the creation of jobs, including, without limitation, the*
41 *number of persons that the recipient of the abatement is required*
42 *to employ.*



1 **Sec. 10.** Chapter 363B of NRS is hereby amended by adding
2 thereto a new section to read as follows:

3 *If the Office of Economic Development approves an abatement*
4 *or partial abatement of any taxes imposed pursuant to this chapter*
5 *that includes the creation of jobs as an eligibility requirement,*
6 *upon approval of the abatement, the Office shall notify the*
7 *Director of the Department of Employment, Training and*
8 *Rehabilitation of any eligibility requirements for the abatement*
9 *relating to the creation of jobs, including, without limitation, the*
10 *number of persons that the recipient of the abatement is required*
11 *to employ.*

12 **Sec. 11.** Chapter 374 of NRS is hereby amended by adding
13 thereto a new section to read as follows:

14 *If the Office of Economic Development approves an abatement*
15 *or partial abatement of any taxes imposed pursuant to this chapter*
16 *that includes the creation of jobs as an eligibility requirement,*
17 *upon approval of the abatement, the Office shall notify the*
18 *Director of the Department of Employment, Training and*
19 *Rehabilitation of any eligibility requirements for the abatement*
20 *relating to the creation of jobs, including, without limitation, the*
21 *number of persons that the recipient of the abatement is required*
22 *to employ.*

23 **Sec. 12.** Chapter 701A of NRS is hereby amended by adding
24 thereto a new section to read as follows:

25 *If the Office of Economic Development approves an abatement*
26 *or partial abatement of taxes pursuant to this chapter that includes*
27 *the creation of jobs as an eligibility requirement, upon approval of*
28 *the abatement, the Office shall notify the Director of the*
29 *Department of Employment, Training and Rehabilitation of any*
30 *eligibility requirements for the abatement relating to the creation*
31 *of jobs, including, without limitation, the number of persons that*
32 *the recipient of the abatement is required to employ.*

33 **Sec. 13.** This act becomes effective on January 1, 2014.



