
SENATE BILL NO. 117—SENATORS SEEVERS GANSERT, BUCK;
DENIS, HAMMOND, HANSEN, HARDY, KIECKHEFER, NEAL,
PICKARD AND SETTELMAYER

FEBRUARY 11, 2021

JOINT SPONSORS: ASSEMBLYMEN TOLLES;
BENITEZ-THOMPSON AND ROBERTS

Referred to Committee on Revenue and
Economic Development

SUMMARY—Revises provisions relating to economic
development. (BDR 18-600)

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; requiring the State Plan for Economic Development be updated at least once every 3 years; requiring each regional development authority to present certain information to the Executive Director of the Office of Economic Development at least every 2 years; directing the Legislative Commission to appoint a committee to conduct an interim study concerning existing abatements, tax exemptions and other incentives for economic development in this State; and providing other matters properly relating thereto.

Legislative Counsel’s Digest:

1 Existing law requires the Executive Director of the Office of Economic
2 Development to develop a State Plan for Economic Development and grants the
3 Executive Director discretionary authority to periodically revise the State Plan.
4 (NRS 231.053) **Section 1** of this bill requires the Executive Director to update the
5 State Plan at least once every 3 years and authorizes the Executive Director to
6 periodically update or revise the State Plan more often.

7 Under existing law, each regional development authority is required to present
8 a plan to the Executive Director regarding the development and enhancement of a
9 recruiting and marketing effort to attract professionals and businesses to the region



10 of this State served by the regional development authority. (NRS 231.054) **Section**
11 **2** of this bill requires each regional development authority to present such a plan at
12 least once every 2 years.

13 **Section 3** of this bill directs the Legislative Commission to appoint a
14 committee to conduct an interim study concerning existing abatements, tax
15 exemptions and other incentives for economic development in this State.

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

1 **Section 1.** NRS 231.053 is hereby amended to read as follows:
2 231.053 After considering any advice and recommendations of
3 the Board, the Executive Director:

4 1. Shall direct and supervise the administrative and technical
5 activities of the Office.

6 2. Shall develop ~~[and may periodically revise]~~ a State Plan for
7 Economic Development, which:

8 (a) Must include a statement of:

9 (1) New industries which have the potential to be developed
10 in this State;

11 (2) The strengths and weaknesses of this State for business
12 incubation;

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

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

16 (5) A strategy to encourage the creation and expansion of
17 businesses in this State and the relocation of businesses to this State;
18 and

19 (6) Potential partners for the implementation of the strategy,
20 including, without limitation, the Federal Government, local
21 governments, local and regional organizations for economic
22 development, chambers of commerce, and private businesses,
23 investors and nonprofit entities; ~~[and]~~

24 (b) Must not include provisions for the granting of any
25 abatement, partial abatement or exemption from taxes or any other
26 incentive for economic development to a person who will locate or
27 expand a business in this State that is subject to the tax imposed
28 pursuant to NRS 362.130 or the gaming license fees imposed by the
29 provisions of NRS 463.370 ~~[H]~~; *and*

30 *(c) Must be updated at least once every 3 years but may be*
31 *periodically revised or updated more often.*

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

34 4. Shall designate as many regional development authorities
35 for each region of this State as the Executive Director determines to



1 be appropriate to implement the State Plan for Economic
2 Development. In designating regional development authorities, the
3 Executive Director must consult with local governmental entities
4 affected by the designation. The Executive Director may, if he or
5 she determines that such action would aid in the implementation of
6 the State Plan for Economic Development, remove the designation
7 of any regional development authority previously designated
8 pursuant to this section and declare void any contract between the
9 Office and that regional development authority.

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

13 6. May apply for and accept any gift, donation, bequest, grant
14 or other source of money to carry out the provisions of NRS
15 231.020 to 231.139, inclusive, and 231.1555 to 231.1597, inclusive.

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

19 8. In a manner consistent with the laws of this State, may
20 reorganize the programs of economic development in this State to
21 further the State Plan for Economic Development. If, in the opinion
22 of the Executive Director, changes to the laws of this State are
23 necessary to implement the economic development strategy for this
24 State, the Executive Director must recommend the changes to the
25 Governor and the Legislature.

26 **Sec. 2.** NRS 231.054 is hereby amended to read as follows:

27 231.054 Each regional development authority shall *at least*
28 *once every 2 years* present a plan to the Executive Director
29 regarding the development and enhancement of a recruiting and
30 marketing effort to attract professionals and businesses to the region
31 of this State served by the regional development authority. The
32 Executive Director shall consider any plan presented pursuant to this
33 section in carrying out the provisions of NRS 231.053.

34 **Sec. 3.** 1. The Legislative Commission shall appoint a
35 committee to conduct an interim study concerning existing
36 abatements, tax exemptions and other incentives for economic
37 development in this State.

38 2. The interim committee must be composed of three members
39 of the Assembly and three members of the Senate, one of whom
40 must be appointed by the Legislative Commission as Chair of the
41 interim committee.

42 3. The interim committee shall study and examine, without
43 limitation:

44 (a) The existing laws regarding abatements, tax exemptions and
45 other incentives for economic development in this State; and



1 (b) The effectiveness of existing abatements, tax exemptions and
2 other incentives in encouraging economic development in this State.

3 4. Any recommended legislation proposed by the interim
4 committee must be approved by a majority of the members of the
5 Assembly and a majority of the members of the Senate appointed to
6 the interim committee.

7 5. The Legislative Commission shall submit a report of the
8 results of the study and any recommended legislation to the 82nd
9 Session of the Nevada Legislature.

10 **Sec. 4.** This act becomes effective on July 1, 2021.

