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

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

PREFILED NOVEMBER 18, 2020

Referred to Committee on Revenue and Economic Development

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

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: No.

EXPLANATION - Matter in bolded italics is new; matter between brackets formitted material is material to be omitted.

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

Legislative Counsel's Digest:

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

Existing law authorizes a person who wishes to provide a program of workforce recruitment, assessment and training to apply to the Office for approval of the program. (NRS 231.1467) **Section 1** of this bill revises the information which must be included in an application for approval to provide a program of workforce recruitment, assessment and training. **Section 1** also: (1) requires a program of workforce recruitment, assessment and training approved by the Office to result in certain credentials or an identifiable occupational skill; (2) requires the Office to ensure that any business for which the program will be provided meets certain requirements; (3) revises the criteria which the Office must consider in giving priority to approved providers of programs of workforce recruitment, assessment and training for receipt of allocations, grants or loans of money from the Office to defray the cost of the program; and (4) revises provisions governing



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the use of money distributed to defray the cost of a program of workforce recruitment, assessment and training.

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

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

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

- 231.1467 1. A person who wishes to provide a program of workforce recruitment, assessment and training may apply to the Office for approval of the program. The application must be submitted on a form prescribed by the Office.
 - 2. Each application must include:
- (a) The name, address, *electronic mail address* and telephone number of the applicant;
- (b) The name of each business for which the applicant will provide the proposed program of workforce recruitment, assessment and training;
- (c) A statement of the objectives of the proposed program of workforce recruitment, assessment and training;
- (d) A description of the primary economic sector to be served by the proposed program of workforce recruitment, assessment and training;
- (e) Evidence of workforce shortages within the industry to be served by the proposed program of workforce recruitment, assessment and training;
- (f) Evidence that there is an insufficient number of existing programs to develop the workforce needed for the industry to be served by the proposed program of workforce recruitment, assessment and training;
- (g) A statement of the number and types of jobs with the business for which the applicant will provide the proposed program of workforce recruitment, assessment and training, that are available or will be available upon completion of the proposed program;
- (h) A statement demonstrating the past performance of the applicant in providing programs of workforce development, including, without limitation:



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

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

- (i) A proposed plan for the provision of the proposed program of workforce recruitment, assessment and training on a statewide basis:
- (j) A list of facilities that will be used by the proposed program of workforce recruitment, assessment and training;
- (k) A projection of the number of primary jobs that will be served by the proposed program of workforce recruitment, assessment and training and the wages for those jobs;
- (l) Evidence satisfactory to the Office that the proposed program of workforce recruitment, assessment and training is consistent with the unified state plan submitted by the Governor to the Secretary of Labor pursuant to 29 U.S.C. § 3112;
 - (m) A workforce diversity action plan; [and
- (e)] (n) The estimated cost of the proposed program of workforce recruitment, assessment and training [.];
- (o) A statement by the business for which the applicant will provide the proposed program of workforce recruitment, assessment and training, which commits the business to report to the Office required performance metrics to enable the Office to comply with NRS 231.1513;
- (p) A report from each business for which the applicant will provide the proposed program of workforce recruitment, assessment and training, which sets forth the basis for any furloughs or layoffs conducted by the business in the 12 months immediately preceding the date of the application for the job categories related to the proposed program of workforce recruitment, assessment and training; and
 - (q) Any other information requested by the Executive Director.
- 3. Any program of workforce recruitment, assessment and training approved by the Office pursuant to this section must:
- (a) Include a workforce diversity action plan approved by the Office; [and]
- (b) To the extent practicable, be provided on a statewide basis to support the industrial and economic development of all geographic areas of this State [.]; and
- (c) Result in a postsecondary or industry-recognized credential, or an identifiable occupational skill that meets the applicable industry standard.
 - 4. The Office shall:





(a) Maintain on the Internet website of the Office a list of the criteria for evaluating applications for approval of a program of

workforce recruitment, assessment and training;

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

(1) Is in compliance with the laws of this State pertaining to

the conduct of businesses and employers;

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

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

(c) Approve or disapprove each application for approval of a program of workforce recruitment, assessment and training within

60 days after receiving a complete application; and

(d) Provide notice of the approval or disapproval of each application to the applicant within 10 days after approving or

disapproving the application.

- 5. An authorized provider that provides a program of workforce recruitment, assessment and training approved by the Office pursuant to this section or the governing body of a local government within the jurisdiction of which the authorized provider will provide the program may apply to the Office for an allocation, grant or loan of money to defray in whole or in part the cost of the program. The application must be submitted on a form prescribed by the Office.
- The Office shall approve or deny each application for an allocation, grant or loan of money submitted pursuant to subsection 5 within 45 days after receipt of the application. When considering an application, the Office shall give priority to a program of workforce recruitment, assessment and training that will provide workforce development services to one or more businesses that:

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

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





- (c) Impart a course of study for not more than 12 months that delivers skills that are needed in the workforce;
- (d) To the greatest extent practicable, use materials that are produced or bought in this State;
- [(e)] (e) Are consistent with the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053; and
- [(d)] (f) Are consistent with the unified state plan submitted by the Governor to the Secretary of Labor pursuant to 29 U.S.C. § 3112.
- 7. An authorized provider may use money distributed pursuant to this section:
- (a) To provide [technical services to a business that participates in the program of workforce recruitment, assessment and training;] curriculum development and instructional services;
- (b) To pay for equipment or technology necessary to conduct the training;
- (c) To pay training fees or tuition for the program of workforce recruitment, assessment and training, which are not otherwise covered by the program budget or other workforce development funding;
- (d) To [provide publicity for] promote the program of workforce recruitment, assessment and training and for job recruiting and assessments conducted through the program;
 - [(c) To provide instructional services;
- —(d)] (e) To provide analysis of on-site training;
- [(e)] (f) To pay any costs relating to the rental of instructional facilities, including, without limitation, utilities and costs relating to the storage and transportation of equipment and supplies;
- [(f)] (g) To pay administrative and personnel costs [;], except that not more than 10 percent of the money distributed pursuant to this section is used for such purposes; and
- [(g)] (h) To pay any other costs, not including administrative and personnel costs, necessary to effectively carry out the program of workforce recruitment, assessment and training.
- 8. Equipment purchased with money distributed as a grant pursuant to this section is the property of the Office. At the end of the grant period, the Office may recapture the equipment for redistribution to other programs of workforce recruitment, assessment and training provided by an authorized provider.
- 9. A [person who operates a business or will operate a] business in this State may apply to the Office to participate in [a] an approved program of workforce recruitment, assessment and training provided by an authorized provider. The application must





be submitted on a form prescribed by the Office and must include, without limitation:

- (a) The name, address and telephone number of the business;
- (b) Proof satisfactory to the Office that the business is consistent with the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053;
- (c) A description of the number and types of jobs that the business expects will be created as a result of its participation in the program of workforce recruitment, assessment and training and the wages the business expects to pay to persons employed in those jobs;
- (d) The types of services which will be provided to the business through the program of workforce recruitment, assessment and training;
- (e) A workforce diversity action plan approved by the Office; and
 - (f) Any other information required by the Office.
 - Sec. 2. NRS 231.1468 is hereby amended to read as follows:
- 231.1468 A workforce diversity action plan submitted to the Office for approval pursuant to paragraph (a) of subsection 3 of NRS 231.1467 or paragraph (e) of subsection [8] 9 of NRS 231.1467 must include, without limitation:
- 1. A statement expressing a commitment to workforce diversity, an explanation of the actions that will be taken and strategies that will be implemented to promote workforce diversity and the goals and performance measures which will be used to measure the success of the plan in achieving those goals; and
- 2. A statement expressing a commitment to comply with all applicable federal and state laws.
 - **Sec. 3.** NRS 231.147 is hereby amended to read as follows:
- 231.147 1. A person who operates a business or will operate a business in this State may apply to the Office for approval of a program of workforce training [...] for incumbent employees that will result in a postsecondary or industry-recognized credential, or an identifiable occupational skill that meets the applicable industry standard. The application must be submitted on a form prescribed by the Office.
 - 2. Each application must include:
 - (a) The name, address and telephone number of the business;
- (b) The number and types of jobs for the business that are available or will be available upon completion of the program of workforce training;
- (c) A statement of the objectives of the proposed program of workforce training;





- (d) An initial plan for wage increases for employees who successfully complete the program of workforce training;
- (e) The estimated cost for each person enrolled in the program of workforce training; and
- [(e)] (f) A statement signed by the applicant certifying that, if the program of workforce training set forth in the application is approved and money is granted by the Office to an authorized provider for the program of workforce training, each employee who completes the program of workforce training:
- (1) Will be employed in a full-time and permanent position in the business; and
- (2) While employed in that position, will be paid not less than 80 percent of the lesser of the average industrial hourly wage in:
 - (I) This State; or

- (II) The county in which the business is located,
- → as determined by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year.
- 3. Upon request, the Office may assist an applicant in completing an application pursuant to the provisions of this section.
- 4. Except as otherwise provided in subsection 5, the Office shall approve or deny each application within 45 days after receipt of the application. When considering an application, the Office shall give priority to a business that:
- (a) Provides high-skill and high-wage jobs to residents of this State:
- (b) To the greatest extent practicable, uses materials for the business that are produced or bought in this State;
- (c) Is consistent with the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053; and
- (d) Is consistent with the unified state plan submitted by the Governor to the Secretary of Labor pursuant to 29 U.S.C. § 3112.
- 5. Before approving an application, the Office shall establish the amount of matching money that the applicant must provide for the program of workforce training. The amount established by the Office for that applicant must not be less than 25 percent of the amount the Office approves for the program of workforce training.
- 6. If the Office approves an application, it shall notify the applicant, in writing, within 10 days after the application is approved.
- 7. If the Office denies an application, it shall, within 10 days after the application is denied, notify the applicant in writing. The notice must include the reason for denying the application.





Sec. 4. (Deleted by amendment.)

- **Sec. 4.3.** Section 103 of Assembly Bill No. 494 of this session is hereby amended to read as follows:
 - Sec. 103. 1. This section and sections 50, 51, 52, 54, 85, 93 and 99 to 102, inclusive, of this act become effective upon passage and approval.
 - 2. Sections 1 to 49, inclusive, 55 to 76, inclusive, 78 to 84, inclusive, 86, 87 and 94 to 98, inclusive, of this act become effective on July 1, 2021.
 - 3. Section 53 of this act becomes effective on July 1, 2021.
 - 4. Section 77 of this act becomes effective on July 1, 2021, if and only if, both Assembly Bill Nos. 488 and 491 of this session are not enacted by the Legislature.
 - 5. Section 88 of this act becomes effective on July 1, 2021, if, and only if, Assembly Bill No. 191 of this session is enacted by the Legislature and becomes effective.
 - 6. Section 89 of this act becomes effective on July 1, 2021, if, and only if, Assembly Bill No. 256 of this session is enacted by the Legislature and becomes effective.
 - 7. Section 90 of this act becomes effective on July 1, 2021, if, and only if, Senate Bill No. 154 of this session is enacted by the Legislature and becomes effective.
 - 8. Section 91 of this act becomes effective on July 1, 2021, if, and only if, Senate Bill No. 420 of this session is enacted by the Legislature and becomes effective.
 - 9. Section 92 of this act becomes effective on July 1, 2021, if, and only if, Assembly Bill No. 387 of this session is enacted by the Legislature and becomes effective.
- **Sec. 4.7.** Section 54 of Assembly Bill No. 494 of this session is hereby repealed.
- **Sec. 5.** 1. This section and sections 4, 4.3 and 4.7 of this act become effective upon passage and approval.
- 2. Sections 1, 2 and 3 of this act become effective on July 1, 2021.

TEXT OF REPEALED SECTION

Section 54 of Assembly Bill No. 494 of the current Legislative Session:

Sec. 54. 1. Any money remaining in the Workforce Innovations for a New Nevada Account created by





NRS 231.151 at the end of Fiscal Year 2020-2021 and any remaining portion of any appropriations made to the Account for the 2019-2021 biennium does not revert to the State General Fund.

- 2. The balance in the Account and any portion of appropriations remaining at the end of Fiscal Year 2020-2021 must be carried forward to Fiscal Year 2021-2022.
- 3. Any balance in the Account and any portion of appropriations made to the Account remaining at the end of Fiscal Year 2021-2022 and Fiscal Year 2022-2023, respectively, must be carried forward.





