

SENATE BILL NO. 403—SENATORS DONDERO LOOP; CANNIZZARO, CRUZ-CRAWFORD, DOÑATE, NGUYEN, OHRENSCHALL, PAZINA, SCHEIBLE AND TAYLOR

MARCH 17, 2025

Referred to Committee on Education

SUMMARY—Revises provisions relating to education. (BDR 34-611)

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

CONTAINS UNFUNDED MANDATE (§§ 4, 5)
(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 education; creating the Subcommittee on Metrics of the Commission on Innovation and Excellence in Education; revising provisions governing competency-based education; authorizing an alternative schedule for certain public schools; requiring pupils in certain grades to be provided a course of study in occupational guidance and counseling; requiring the Department of Education to develop, maintain and publish certain materials related to career exploration; requiring the Board of Economic Development to make certain recommendations relating to opportunities for pupils for career exploration in schools; authorizing the Office of Economic Development to require applicants for certain transferable tax credits and certain tax abatements to agree to a plan to provide opportunities for career exploration to pupils; making appropriations; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

- 1 Existing law creates the Commission on Innovation and Excellence in
- 2 Education and requires the Commission to develop a statewide vision and
- 3 implementation plan to improve the public education system in this State. (NRS
- 4 385.910, 385.920) **Section 1** of this bill creates the Subcommittee on Metrics of the



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Commission and requires the Subcommittee to develop metrics for school districts and schools to measure the progress and success of pupils, schools and school districts. **Section 2** of this bill makes a conforming change to apply the definition of the term "Commission," which is applicable to provisions governing the Commission on Innovation and Excellence in Education, to the provisions of **section 1. Section 24** of this bill makes an appropriation of \$137,820 for a staff position to oversee the implementation of recommendations made by the Commission. **Section 26** of this bill makes an appropriation of \$25,000 for the Fiscal Year 2025-2026 and \$25,000 for the Fiscal Year 2026-2027 for the travel expenses of the members of the Commission and Subcommittee.

Existing law requires the Department of Education to establish a pilot program to provide competency-based education. (NRS 389.210) Existing law defines "competency-based education" as a system of instruction by which a pupil advances to a higher level of learning when the pupil demonstrates mastery of a concept or skill, regardless of the time, place or pace at which the pupil progresses. (NRS 389.200) **Sections 6-8** of this bill change the term "competency-based education" to "competency-based learning," but otherwise retain the existing definition for that term. **Section 7** authorizes the Department: (1) to create a timeline and action plan to implement alternatives to Carnegie Units or methods to enable the use of Carnegie Units to coexist with the system of instruction used in competency-based learning; and (2) submit recommendations to the Joint Interim Standing Committee on Education for legislation necessary to implement such alternatives or methods or to authorize the Department to revise or eliminate certain regulations.

Existing law requires the boards of trustees of school districts to schedule and provide a minimum of 180 days of free school in the districts under their charge. (NRS 388.090) **Sections 3 and 7** of this bill authorize the board of trustees of a school district or the governing body of a charter school to apply to the Superintendent of Public Instruction for approval of: (1) an alternative schedule for a school which is selected to participate in the pilot program to provide competency-based learning; and (2) an alternative method in which the Superintendent of Public Instruction will count enrollment and calculate the average daily attendance of pupils enrolled in such a school for the purposes of apportionments and allowances from the State Education Fund.

Existing law requires the State Board of Education to establish a course of study in occupational guidance and counseling and requires such instruction to be made available for pupils in grades 7-12. Existing law requires the board of trustees in each school district to organize and offer the curriculum within the limits of money made available for that purpose. (NRS 389.041) **Sections 4 and 5** of this bill eliminate the provisions making such instruction optional and instead require the board of trustees of each school district and the governing body of each charter school to ensure that the course is provided to pupils enrolled in grades 6, 7 and 8. **Section 5** of this bill requires the Department to develop, maintain and publish on an Internet website maintained by the Department educational materials and information regarding career exploration suitable for pupils in grades 1-5.

Existing law creates the Board of Economic Development, which, among other duties, is required to make recommendations to the Executive Director of the Office of Economic Development relating to the criteria to be used by the Office in providing development resources and making allocations, grants and loans. (NRS 231.033, 231.037) Existing law additionally requires the Board to review and evaluate all programs of economic development in this State and make recommendations to the Legislature for legislation. (NRS 231.037) **Section 9** of this bill further requires such recommendations to include recommendations to provide incentives for businesses, including small businesses, to provide opportunities for career exploration to pupils enrolled in public schools in this



State. **Section 9** additionally requires the Board to review and make recommendations to the Department regarding technologies to facilitate the exploration by pupils of careers in industries in this State.

Existing law authorizes the Office 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. The Office is prohibited from approving an application for such credits or abate­ments unless the applicant satisfies certain criteria. (NRS 231.1555, 274.310, 274.320, 274.330, 360.750, 360.753, 360.754, 360.759, 360.889, 360.945) **Sections 10-23** of this bill authorize the Office to require an applicant for transferable tax credits or a tax abate­ment to enter into an agree­ment with the Office that includes a plan by the applicant to provide opportunities for career exploration to pupils enrolled in public schools in this State.

Section 25 of this bill appropriates \$2,250,000 to the Department to: (1) make grants to school districts to assist schools in participating in the pilot program to provide competency-based learning; and (2) enter into a contract with a qualified entity to provide professional development regarding competency-based learning programs and assist the Department in implementing the recommendations made by the Commission on Innovation and Excellence in Education.

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

Section 1. Chapter 385 of NRS is hereby amended by adding thereto a new section to read as follows:

1. There is hereby created the Subcommittee on Metrics of the Commission on Innovation and Excellence in Education, consisting of members appointed by the Chair of the Commission. The Subcommittee shall develop metrics that school districts and schools may use to measure the progress and success of pupils, schools and school districts, including, without limitation:

(a) Metrics for learning outcomes which are based on growth, including, without limitation, the development of skills, competencies and dispositions.

(b) Metrics of holistic factors, including, without limitation, the well-being of pupils, social capital and civic engagement.

2. Each member of the Subcommittee:

(a) Serves without compensation; and

(b) While engaged in the business of the Subcommittee, is entitled to receive the travel expenses provided for state officers and employees generally.

Sec. 2. NRS 385.900 is hereby amended to read as follows:

385.900 As used in this section and NRS 385.910 and 385.920, *and section 1 of this act*, unless the context otherwise requires, “Commission” means the Commission on Innovation and Excellence in Education created by NRS 385.910.



Sec. 3. NRS 388.090 is hereby amended to read as follows:

388.090 1. Except as otherwise provided in this section and NRS 388D.330 ~~§~~ *and section 7 of this act*, boards of trustees of school districts shall schedule and provide a minimum of 180 days of free school in the districts under their charge.

2. Except for an alternative schedule described in subsection 3, the Superintendent of Public Instruction may, upon application by the board of trustees of a school district, authorize the school district to provide a program of instruction based on an alternative schedule if the number of minutes of instruction to be provided is equal to or greater than the number of minutes of instruction that would be provided in a program of instruction consisting of 180 school days. The Superintendent of Public Instruction shall notify the board of trustees of the school district of the approval or denial of the application not later than 30 days after the Superintendent of Public Instruction receives the application. An alternative schedule proposed pursuant to this subsection must be developed in accordance with chapter 288 of NRS.

3. The Superintendent of Public Instruction may, upon application by the board of trustees of a school district, authorize a reduction of not more than 15 school days in that particular district to establish or maintain an alternative schedule consisting of a 12-month school program if the board of trustees demonstrates that the proposed alternative schedule for the program provides for a number of minutes of instruction that is equal to or greater than that which would be provided under a program consisting of 180 school days.

4. The Superintendent of Public Instruction may, upon application by a board of trustees, authorize the addition of minutes of instruction to any scheduled day of free school if days of free school are lost because of any interscholastic activity. Not more than 5 days of free school so lost may be rescheduled in this manner. The provisions of this subsection do not apply to an alternative schedule approved pursuant to subsection 2.

5. The number of minutes of instruction required for a particular group of pupils in a program of instruction based on an alternative schedule approved pursuant to this section and NRS 388.095 and 388.097 must be determined by multiplying the appropriate minimum daily period of instruction established by the State Board by regulation for that particular group of pupils by 180.

Sec. 4. Chapter 389 of NRS is hereby amended by adding thereto a new section to read as follows:

The board of trustees of each school district and the governing body of each charter school shall ensure that the course of study in occupational guidance and counseling established pursuant to NRS 389.041 is provided to pupils enrolled in grades 6, 7 and 8 in



each public school within the school district or charter school, as applicable.

Sec. 5. NRS 389.041 is hereby amended to read as follows:

389.041 1. The State Board shall, by regulation, establish a course of study in occupational guidance and counseling.

2. The board of trustees of each school district shall establish the curriculum for the course of study in that district. The curriculum must be organized and, with the assistance of teachers, administrators, pupils, parents and the business community, coordinated by licensed school counselors who shall provide instruction and activities designed to:

(a) Promote normal growth and development.

(b) Promote positive mental and physical health.

(c) Provide each pupil with knowledge and skills which permit the pupil to control his or her own destiny.

(d) Assist each pupil to plan, monitor and manage the pupil's personal, educational and occupational development.

(e) Meet the immediate needs and concerns of each pupil, whether the pupil's needs or concerns require counseling, consultation, referral or information.

(f) Provide counselors, teachers and support staff with the knowledge and skills required to maintain and improve the course.

(g) Provide such other related assistance and instruction as is deemed necessary.

~~3. [The instruction required by this section must be made available for each pupil in grades 7 to 12, inclusive.~~

~~—4. The board of trustees in each school district shall organize and offer the curriculum within the limits of money made available to the district by the Legislature for that purpose.]~~ *The Department shall develop, maintain and publish on an Internet website maintained by the Department educational materials and information regarding career exploration suitable for pupils in grades 1 to 5, inclusive.*

Sec. 6. NRS 389.200 is hereby amended to read as follows:

389.200 As used in NRS 389.200, 389.210 and 389.230, "competency-based ~~[education]~~ *learning*" means a system of instruction by which a pupil advances to a higher level of learning when the pupil demonstrates mastery of a concept or skill, regardless of the time, place or pace at which the pupil progresses.

Sec. 7. NRS 389.210 is hereby amended to read as follows:

389.210 1. The Department shall establish a pilot program to provide competency-based ~~[education.]~~ *learning.*

2. The State Board shall adopt regulations that prescribe:



(a) The process for submission of an application by the board of trustees of a school district or the governing body of a charter school to participate in the pilot program; and

(b) The qualifications and conditions for participation by a school in the pilot program, including, without limitation:

(1) A commitment by the school district or charter school to implement competency-based ~~education~~ *learning* for not less than 5 years; and

(2) Evidence of support for the implementation of competency-based ~~education~~ *learning* by the community served by the school district or charter school.

3. A school selected to participate in the pilot program to provide competency-based ~~education~~ *learning* shall:

(a) Implement a system of instruction by which a pupil advances to a higher level of learning when the pupil demonstrates mastery of a concept or skill;

(b) Establish concrete skills on which a pupil will be evaluated that include explicit, measurable and transferable learning objectives;

(c) Ensure that assessment is a meaningful and positive learning experience for pupils;

(d) Ensure that pupils receive timely and differentiated support based upon their individual learning needs; and

(e) Ensure that pupils are able to apply knowledge learned, create new knowledge and develop important skills and dispositions relating to such knowledge.

4. *The board of trustees of a school district or the governing body of a charter school may apply to the Superintendent of Public Instruction for approval of:*

(a) An alternative schedule for a school which is selected to participate in the pilot program to provide competency-based learning, which must provide for at least as many hours or minutes of instruction as would be provided under a schedule consisting of 180 days; and

(b) An alternative method in which the Superintendent of Public Instruction will count enrollment and calculate the average daily attendance of pupils enrolled at the school for the purposes of apportionments and allowances from the State Education Fund pursuant to NRS 387.121 to 387.12468, inclusive.

5. If at least one application to participate in the pilot program is made on behalf of a school that primarily serves pupils who are at risk or credit deficient, or in need of credit retrieval, the Department must select at least one such school to participate in the pilot program.



~~[5.]~~ 6. *The Department may, based upon the results of the pilot program to provide competency-based learning, create a timeline and action plan to implement alternatives to Carnegie Units or methods to enable the use of Carnegie Units to flexibly coexist with the system of instruction used in competency-based learning. The Department may submit to the Joint Interim Standing Committee on Education recommendations for legislation necessary to:*

(a) *Implement alternatives to Carnegie Units or methods to enable Carnegie Units to flexibly coexist with the system of instruction used in competency-based learning.*

(b) *Authorize the Department to revise or eliminate regulations that stifle innovation, restrict student choice and agency, and inhibit flexible, competency-based pathways to graduation.*

7. As used in this section ~~[, a]~~ :

(a) A pupil is "at risk" if the pupil has an economic or academic disadvantage such that he or she requires special services and assistance to enable him or her to succeed in educational programs. The term includes, without limitation, pupils who are members of economically disadvantaged families, pupils who are English learners, pupils who are at risk of dropping out of high school and pupils who do not meet minimum standards of academic proficiency. The term does not include a pupil with a disability.

(b) *"Carnegie Unit" means the credit given for the successful completion of a course based upon the number of hours of classroom instruction or contact time with a teacher provided during the course.*

Sec. 8. NRS 389.230 is hereby amended to read as follows:

389.230 1. The Department of Education shall:

(a) Conduct a public campaign to raise awareness about competency-based ~~[education.]~~ **learning.**

(b) Conduct one or more meetings with the superintendents of the school districts for the purpose of increasing:

(1) Understanding of competency-based ~~[education:]~~ **learning;** and

(2) Interest in implementing a system of competency-based ~~[education.]~~ **learning.**

2. To the extent that money is available for that purpose, the Department of Education may, through a competitive grants program, distribute any money appropriated to the Department to carry out the pilot program to provide competency-based ~~[education]~~ **learning** established pursuant to NRS 389.210. Grants must be awarded by the Department to schools selected to participate in the program based upon money available for this purpose.



Sec. 9. NRS 231.037 is hereby amended to read as follows:

231.037 The Board shall:

1. Review and evaluate all programs of economic development in this State and make recommendations to the Legislature for legislation to ~~improve~~:

(a) *Improve* the effectiveness of those programs in implementing the State Plan for Economic Development developed by the Executive Director pursuant to subsection 2 of NRS 231.053.

(b) *Provide incentives for businesses, including small businesses, to provide opportunities for career exploration to pupils enrolled in public schools in this State.*

2. Recommend to the Executive Director a State Plan for Economic Development and make recommendations to the Executive Director for carrying out the State Plan for Economic Development, including, without limitation, recommendations regarding the development and implementation of a recruiting and marketing effort to attract professionals and businesses to this State.

3. Recommend to the Executive Director the criteria for the designation of regional development authorities.

4. Make recommendations to the Executive Director for the designation for the southern region of this State, the northern region of this State and the rural region of this State, one or more regional development authorities for each region.

5. Provide advice and recommendations to the Executive Director concerning:

(a) The procedures to be followed by any entity seeking to obtain any development resource, allocation, grant or loan from the Office;

(b) The criteria to be used by the Office in providing development resources and making allocations, grants and loans;

(c) The requirements for reports from the recipients of development resources, allocations, grants and loans from the Office concerning the use thereof;

(d) The development and implementation of programs to provide customized workforce development services to existing and prospective businesses in this State; and

(e) Any other activities of the Office.

6. Review each proposal by the Executive Director to enter into a contract pursuant to NRS 231.057 for more than \$100,000 or allocate, grant or loan more than \$100,000 to any entity and, as the Board determines to be in the best interests of the State, approve or disapprove the proposed allocation, grant or loan. Notwithstanding any other statutory provision to the contrary, the Executive Director shall not enter into any contract pursuant to NRS 231.057 for more than \$100,000 or make any allocation, grant or loan of more than



\$100,000 to any entity unless the allocation, grant or loan is approved by the Board.

7. Review and make recommendations to the Department of Education regarding technologies to facilitate the exploration by pupils of careers in industries in this State.

Sec. 10. NRS 231.1555 is hereby amended to read as follows:

231.1555 1. A person who intends to locate or expand a business in this State may apply to the Office for a certificate of eligibility for transferable tax credits which may be applied to:

(a) Any tax imposed by chapter 363A or 363B of NRS;

(b) The gaming license fee imposed by the provisions of NRS 463.370;

(c) Any tax imposed by chapter 680B of NRS; or

(d) Any combination of the fees and taxes described in paragraphs (a), (b) and (c).

2. After considering any advice and recommendations of the Board, the Executive Director shall establish:

(a) Procedures for applying to the Office for a certificate of eligibility for transferable tax credits which must:

(I) Include, without limitation, a requirement that the applicant set forth in the application:

(I) The proposed use of the transferable tax credits;

(II) The plans, projects and programs for which the transferable tax credits will be used;

(III) The expected benefits of the issuance of the transferable tax credits; and

(IV) A statement of the short-term and long-term impacts of the issuance of the transferable tax credits; and

(2) Allow the applicant to revise the application upon the recommendation of the Executive Director.

(b) The criteria which a person to whom a certificate of eligibility for transferable tax credits has been issued must satisfy to be issued a certificate of transferable tax credits. *Such criteria may include, without limitation, a requirement for the applicant to enter into an agreement with the Office that incorporates a plan by the applicant to provide opportunities for career exploration to pupils enrolled in public schools in this State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the business of the applicant or to provide for employees of the applicant to serve as full-time or part-time instructors for career and technical education courses.*

3. After receipt of an application pursuant to this section, the Executive Director shall review and evaluate the application and determine whether the approval of the application would promote the economic development of this State and aid the implementation



1 of the State Plan for Economic Development developed by the
2 Executive Director pursuant to subsection 2 of NRS 231.053.

3 4. If the applicant is requesting transferable tax credits in an
4 amount of \$100,000 or less, the Executive Director may approve the
5 application, subject to the provisions of subsection 6, if the
6 Executive Director determines that approving the application will
7 promote the economic development of this State and aid the
8 implementation of the State Plan for Economic Development.

9 5. If the applicant is requesting transferable tax credits in an
10 amount greater than \$100,000, the Executive Director shall submit
11 the application and the Executive Director's review and evaluation
12 of the application pursuant to subsection 3 to the Board, and the
13 Board may approve the application, subject to the provisions of
14 subsection 6, if the Board determines that approving the application
15 will promote the economic development of this State and aid the
16 implementation of the State Plan for Economic Development.

17 6. The Executive Director or the Board shall not approve any
18 application for transferable tax credits for:

19 (a) A period of more than 5 fiscal years;

20 (b) Fiscal Year 2015-2016; or

21 (c) Any fiscal year if the approval of the application would
22 cause the total amount of transferable tax credits issued pursuant to
23 this section to exceed:

24 (1) For Fiscal Year 2016-2017, \$1,000,000.

25 (2) For Fiscal Year 2017-2018, \$2,000,000.

26 (3) For Fiscal Year 2018-2019, \$2,000,000.

27 (4) For Fiscal Year 2019-2020, \$3,000,000.

28 (5) For a fiscal year beginning on or after July 1, 2020,
29 \$5,000,000.

30 7. If the Executive Director or the Board approves an
31 application and issues a certificate of eligibility for transferable tax
32 credits, the Office shall immediately forward a copy of the
33 certificate of eligibility which identifies the estimated amount of the
34 tax credits available pursuant to this section to:

35 (a) The applicant;

36 (b) The Department of Taxation; and

37 (c) The Nevada Gaming Control Board.

38 8. Within 14 days after the Office determines that a person to
39 whom a certificate of eligibility for transferable tax credits has been
40 issued satisfies the criteria established by the Executive Director
41 pursuant to subsection 2, the Office shall notify the person that
42 transferable tax credits will be issued. Within 30 days after the
43 receipt of the notice, the person shall make an irrevocable
44 declaration of the amount of transferable tax credits that will be
45 applied to each fee or tax set forth in paragraphs (a), (b) and (c) of



subsection 1, thereby accounting for all of the credits which will be issued. Upon receipt of the declaration, the Office shall issue to the person a certificate of transferable tax credits in the amount approved by the Executive Director or the Board, as applicable, for the fees or taxes included in the declaration. The Office shall notify the Department of Taxation and the Nevada Gaming Control Board of all transferable tax credits issued, segregated by each fee or tax set forth in paragraphs (a), (b) and (c) of subsection 1, and the amount of any transferable tax credits transferred.

Sec. 11. NRS 274.310 is hereby amended to read as follows:

274.310 1. A person who intends to locate a business in this State within:

(a) A historically underutilized business zone, as defined in 15 U.S.C. § 632;

(b) A redevelopment area created pursuant to chapter 279 of NRS;

(c) An area eligible for a community development block grant pursuant to 24 C.F.R. Part 570; or

(d) An enterprise community established pursuant to 24 C.F.R. Part 597,

↪ may submit a request to the governing body of the county, city or town in which the business would operate for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 of NRS or the local sales and use taxes. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business would operate. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant



1 to this section may submit the application to the Office of Economic
2 Development. The Office shall approve the application if the Office
3 makes the following determinations:

4 (a) The business is consistent with:

5 (1) The State Plan for Economic Development developed by
6 the Administrator pursuant to subsection 2 of NRS 231.053; and

7 (2) Any guidelines adopted by the Administrator to
8 implement the State Plan for Economic Development.

9 (b) Not later than 1 year after the date on which the application
10 was received by the Office, the applicant has executed an agreement
11 with the Office which states:

12 (1) The date on which the abatement becomes effective, as
13 agreed to by the applicant and the Office, which must not be earlier
14 than the date on which the Office received the application and not
15 later than 1 year after the date on which the Office approves the
16 application; and

17 (2) That the business will, after the date on which the
18 abatement becomes effective:

19 (I) Commence operation and continue in operation in the
20 historically underutilized business zone, as defined in 15 U.S.C. §
21 632, redevelopment area created pursuant to chapter 279 of NRS,
22 area eligible for a community development block grant pursuant to
23 24 C.F.R. Part 570 or enterprise community established pursuant to
24 24 C.F.R. Part 597 for a period specified by the Office, which must
25 be at least 5 years; and

26 (II) Continue to meet the eligibility requirements set forth
27 in this subsection.

28 ➡ The agreement must bind successors in interest of the business
29 for the specified period.

30 (c) The business is registered pursuant to the laws of this State
31 or the applicant commits to obtain a valid business license and all
32 other permits required by the county, city or town in which the
33 business will operate.

34 (d) The applicant invested or commits to invest a minimum of
35 \$500,000 in capital assets that will be retained at the location of the
36 business in the historically underutilized business zone, as defined
37 in 15 U.S.C. § 632, redevelopment area created pursuant to chapter
38 279 of NRS, area eligible for a community development block grant
39 pursuant to 24 C.F.R. Part 570 or enterprise community established
40 pursuant to 24 C.F.R. Part 597 until at least the date which is 5 years
41 after the date on which the abatement becomes effective.

42 4. *The Office of Economic Development may require the*
43 *agreement described in paragraph (b) of subsection 3 to*
44 *incorporate a plan by the business to provide opportunities for*
45 *career exploration to pupils enrolled in public schools in this*



State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the business or to provide for employees of the business to serve as full-time or part-time instructors for career and technical education courses.

5. If the Office of Economic Development approves an application for a partial abatement, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department of Taxation;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business will be located.

~~5.1~~ 6. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

(a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

~~6.1~~ 7. If an applicant for a partial abatement pursuant to this section fails to execute the agreement described in paragraph (b) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new request pursuant to subsection 1.

~~7.1~~ 8. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

➔ the business shall repay to the Department of Taxation or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for



1 which the payment would have been made had the partial abatement
2 not been approved until the date of payment of the tax.

3 ~~§ 9.~~ 9. The Office of Economic Development may adopt such
4 regulations as the Office determines to be necessary or advisable to
5 carry out the provisions of this section.

6 ~~§ 10.~~ 10. An applicant for an abatement who is aggrieved by a
7 final decision of the Office of Economic Development may petition
8 for judicial review in the manner provided in chapter 233B of NRS.

9 **Sec. 12.** NRS 274.320 is hereby amended to read as follows:

10 274.320 1. A person who intends to expand a business in this
11 State within:

12 (a) A historically underutilized business zone, as defined in 15
13 U.S.C. § 632;

14 (b) A redevelopment area created pursuant to chapter 279 of
15 NRS;

16 (c) An area eligible for a community development block grant
17 pursuant to 24 C.F.R. Part 570; or

18 (d) An enterprise community established pursuant to 24 C.F.R.
19 Part 597,

20 ➤ may submit a request to the governing body of the county, city or
21 town in which the business operates for an endorsement of an
22 application by the person to the Office of Economic Development
23 for a partial abatement of the local sales and use taxes imposed on
24 capital equipment. The governing body of the county, city or town
25 shall provide notice of the request to the board of trustees of the
26 school district in which the business operates. The notice must set
27 forth the date, time and location of the hearing at which the
28 governing body will consider whether to endorse the application. As
29 used in this subsection, "local sales and use taxes" means the taxes
30 imposed on the gross receipts of any retailer from the sale of
31 tangible personal property sold at retail, or stored, used or otherwise
32 consumed, in the political subdivision in which the business is
33 located, except the taxes imposed by the Sales and Use Tax Act and
34 the Local School Support Tax Law.

35 2. The governing body of a county, city or town shall develop
36 procedures for:

37 (a) Evaluating whether such an abatement would be beneficial
38 for the economic development of the county, city or town.

39 (b) Issuing a certificate of endorsement for an application for
40 such an abatement that is found to be beneficial for the economic
41 development of the county, city or town.

42 3. A person whose application has been endorsed by the
43 governing body of the county, city or town, as applicable, pursuant
44 to this section may submit the application to the Office of Economic



1 Development. The Office shall approve the application if the Office
2 makes the following determinations:

3 (a) The business is consistent with:

4 (1) The State Plan for Economic Development developed by
5 the Administrator pursuant to subsection 2 of NRS 231.053; and

6 (2) Any guidelines adopted by the Administrator to
7 implement the State Plan for Economic Development.

8 (b) Not later than 1 year after the date on which the application
9 was received by the Office, the applicant has executed an agreement
10 with the Office which states:

11 (1) The date on which the abatement becomes effective, as
12 agreed to by the applicant and the Office, which must not be earlier
13 than the date on which the Office received the application and not
14 later than 1 year after the date on which the Office approves the
15 application; and

16 (2) That the business will, after the date on which the
17 abatement becomes effective:

18 (I) Continue in operation in the historically underutilized
19 business zone, as defined in 15 U.S.C. § 632, redevelopment area
20 created pursuant to chapter 279 of NRS, area eligible for a
21 community development block grant pursuant to 24 C.F.R. Part 570
22 or enterprise community established pursuant to 24 C.F.R. Part 597
23 for a period specified by the Office, which must be at least 5 years;
24 and

25 (II) Continue to meet the eligibility requirements set forth
26 in this subsection.

27 ➡ The agreement must bind successors in interest of the business
28 for the specified period.

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

33 (d) The applicant invested or commits to invest a minimum of
34 \$250,000 in capital equipment that will be retained at the location of
35 the business in the historically underutilized business zone, as
36 defined in 15 U.S.C. § 632, redevelopment area created pursuant to
37 chapter 279 of NRS, area eligible for a community development
38 block grant pursuant to 24 C.F.R. Part 570 or enterprise community
39 established pursuant to 24 C.F.R. Part 597 until at least the date
40 which is 5 years after the date on which the abatement becomes
41 effective.

42 4. *The Office of Economic Development may require the*
43 *agreement described in paragraph (b) of subsection 3 to*
44 *incorporate a plan by the business to provide opportunities for*
45 *career exploration to pupils enrolled in public schools in this*



State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the business or to provide for employees of the business to serve as full-time or part-time instructors for career and technical education courses.

5. If the Office of Economic Development approves an application for a partial abatement, the Office shall immediately forward a certificate of eligibility for the abatement to:

(a) The Department of Taxation; and

(b) The Nevada Tax Commission.

~~[5-]~~ 6. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

(a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

~~[6-]~~ 7. If an applicant for a partial abatement pursuant to this section fails to execute the agreement described in paragraph (b) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new request pursuant to subsection 1.

~~[7-]~~ 8. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

↪ the business shall repay to the Department of Taxation the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.



~~18.1~~ 9. The Office of Economic Development may adopt such regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.

~~19.1~~ 10. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

Sec. 13. NRS 274.330 is hereby amended to read as follows:

274.330 1. A person who owns a business which is located within an enterprise community established pursuant to 24 C.F.R. Part 597 in this State may submit a request to the governing body of the county, city or town in which the business is located for an endorsement of an application by the person to the Office of Economic Development for a partial abatement of one or more of the taxes imposed pursuant to chapter 361 of NRS or the local sales and use taxes. The governing body of the county, city or town shall provide notice of the request to the board of trustees of the school district in which the business operates. The notice must set forth the date, time and location of the hearing at which the governing body will consider whether to endorse the application. As used in this subsection, "local sales and use taxes" means the taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in the political subdivision in which the business is located, except the taxes imposed by the Sales and Use Tax Act and the Local School Support Tax Law.

2. The governing body of a county, city or town shall develop procedures for:

(a) Evaluating whether such an abatement would be beneficial for the economic development of the county, city or town.

(b) Issuing a certificate of endorsement for an application for such an abatement that is found to be beneficial for the economic development of the county, city or town.

3. A person whose application has been endorsed by the governing body of the county, city or town, as applicable, pursuant to this section may submit the application to the Office of Economic Development. The Office shall approve the application if the Office makes the following determinations:

(a) The business is consistent with:

(1) The State Plan for Economic Development developed by the Administrator pursuant to subsection 2 of NRS 231.053; and

(2) Any guidelines adopted by the Administrator to implement the State Plan for Economic Development.

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



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

(2) That the business will, after the date on which the abatement becomes effective:

(I) Continue in operation in the enterprise community for a period specified by the Office, which must be at least 5 years; and

(II) Continue to meet the eligibility requirements set forth in this subsection.

➤ The agreement must bind successors in interest of the business for the specified period.

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

(d) The business:

(1) Employs one or more dislocated workers who reside in the enterprise community; and

(2) Pays such employees a wage of not less than 100 percent of the federally designated level signifying poverty for a family of four persons and provides medical benefits to the employees and their dependents which meet the minimum requirements for medical benefits established by the Office.

4. *The Office of Economic Development may require the agreement described in paragraph (b) of subsection 3 to incorporate a plan by the business to provide opportunities for career exploration to pupils enrolled in public schools in this State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the business or to provide for employees of the business to serve as full-time or part-time instructors for career and technical education courses.*

5. If the Office of Economic Development approves an application for a partial abatement, the Office shall:

(a) Determine the percentage of employees of the business which meet the requirements of paragraph (d) of subsection 3 and grant a partial abatement equal to that percentage; and

(b) Immediately forward a certificate of eligibility for the abatement to:

(1) The Department of Taxation;

(2) The Nevada Tax Commission; and



(3) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of the county in which the business is located.

~~[5-]~~ 6. If the Office of Economic Development approves an application for a partial abatement pursuant to this section:

(a) The partial abatement must be for a duration of not less than 1 year but not more than 5 years.

(b) If the abatement is from the property tax imposed pursuant to chapter 361 of NRS, the partial abatement must not exceed 75 percent of the taxes on personal property payable by a business each year pursuant to that chapter.

~~[6-]~~ 7. If an applicant for a partial abatement pursuant to this section fails to execute the agreement described in paragraph (b) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new request pursuant to subsection 1.

~~[7-]~~ 8. If a business whose partial abatement has been approved pursuant to this section and is in effect ceases:

(a) To meet the eligibility requirements for the partial abatement; or

(b) Operation before the time specified in the agreement described in paragraph (b) of subsection 3,

the business shall repay to the Department of Taxation or, if the partial abatement was from the property tax imposed pursuant to chapter 361 of NRS, to the county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement required to be paid pursuant to this subsection, pay interest on the amount due at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

~~[8-]~~ 9. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of benefits that a business must provide to its employees to qualify for an abatement pursuant to this section.

(b) May adopt such other regulations as the Office determines to be necessary or advisable to carry out the provisions of this section.



~~19.1~~ 10. An applicant for an abatement who is aggrieved by a final decision of the Office of Economic Development may petition for judicial review in the manner provided in chapter 233B of NRS.

~~110.1~~ 11. As used in this section, "dislocated worker" means a person who:

(a) Has been terminated, laid off or received notice of termination or layoff from employment;

(b) Is eligible for or receiving or has exhausted his or her entitlement to unemployment compensation;

(c) Has been dependent on the income of another family member but is no longer supported by that income;

(d) Has been self-employed but is no longer receiving an income from self-employment because of general economic conditions in the community or natural disaster; or

(e) Is currently unemployed and unable to return to a previous industry or occupation.

Sec. 14. NRS 360.750 is hereby amended to read as follows:

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

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

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

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

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

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

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

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

(1) Comply with the requirements of NRS 360.755;



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

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

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

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

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

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

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

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

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

(2) Establishing the business will require the business to make, not later than the date which is 2 years after the date on which the abatement becomes effective, a capital investment of at least \$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:



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

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

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

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

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

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

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

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

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

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

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

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

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

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



(d) May require the agreement described in paragraph (b) of subsection 2 to incorporate a plan by the business to provide opportunities for career exploration to pupils enrolled in public schools in this State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the business or to provide for employees of the business to serve as full-time or part-time instructors for career and technical education courses.

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

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

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

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

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

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

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

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



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

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

(b) If the new or expanded business is located in a county in which the rate of unemployment is less than 7 percent and the average hourly wage that will be paid by the business to its new employees in this State is less than 100 percent of the average statewide hourly wage, as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year, the Office shall not:

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

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

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

(a) The Department;

(b) The Nevada Tax Commission; and

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

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

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

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

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

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



1 ➡ the business shall repay to the Department or, if the partial
2 abatement was from the property tax imposed pursuant to chapter
3 361 of NRS, to the county treasurer, the amount of the partial
4 abatement that was allowed pursuant to this section before the
5 failure of the business to comply unless the Nevada Tax
6 Commission determines that the business has substantially complied
7 with the requirements of this section. Except as otherwise provided
8 in NRS 360.232 and 360.320, the business shall, in addition to the
9 amount of the partial abatement required to be paid pursuant to this
10 subsection, pay interest on the amount due at the rate most recently
11 established pursuant to NRS 99.040 for each month, or portion
12 thereof, from the last day of the month following the period for
13 which the payment would have been made had the partial abatement
14 not been approved until the date of payment of the tax.

15 11. A county treasurer:

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

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

22 12. The Office of Economic Development may adopt such
23 regulations as the Office of Economic Development determines to
24 be necessary to carry out the provisions of this section and
25 NRS 360.755.

26 13. The Nevada Tax Commission:

27 (a) Shall adopt regulations regarding:

28 (1) The capital investment that a new business must make to
29 meet the requirement set forth in paragraph (f) or (g) of subsection
30 2; and

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

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

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

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



Sec. 15. NRS 360.753 is hereby amended to read as follows:

360.753 1. An owner of a business or a person who intends to locate or expand a business in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one or more of:

(a) The personal property taxes imposed on an aircraft and the personal property used to own, operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft; and

(b) The local sales and use taxes imposed on the purchase of tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or any component of an aircraft.

2. Notwithstanding the provisions of any law to the contrary and except as otherwise provided in subsections 3 and 4, the Office of Economic Development shall approve an application for a partial abatement if the Office makes the following determinations:

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

(1) Complies with the requirements of NRS 360.755;

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

(3) States that the business will, after the date on which a certificate of eligibility for the partial abatement is issued pursuant to subsection 5, continue in operation in this State for a period specified by the Office, which must be not less than 5 years, and will continue to meet the eligibility requirements set forth in this subsection; and

(4) Binds any successor in interest of the applicant for the specified period;

(b) The business is registered pursuant to the laws of this State or the applicant commits to obtaining a valid business license and all other permits required by the county, city or town in which the business operates;

(c) The business owns, operates, manufactures, services, maintains, tests, repairs, overhauls or assembles an aircraft or any component of an aircraft;

(d) The average hourly wage that will be paid by the business to its employees in this State during the period of partial abatement is not less than 100 percent of the average statewide hourly wage as established by the Employment Security Division of the Department



1 of Employment, Training and Rehabilitation on July 1 of each fiscal
2 year;

3 (e) The business will, by the eighth calendar quarter following
4 the calendar quarter in which the abatement becomes effective, offer
5 a health insurance plan for all employees that includes an option for
6 health insurance coverage for dependents of the employees, and the
7 health care benefits the business offers to its employees in this State
8 will meet the minimum requirements for health care benefits
9 established by the Office;

10 (f) If the business is:

11 (1) A new business, that it will have five or more full-time
12 employees on the payroll of the business within 1 year after
13 receiving its certificate of eligibility for a partial abatement; or

14 (2) An existing business, that it will increase its number of
15 full-time employees on the payroll of the business in this State by 3
16 percent or three employees, whichever is greater, within 1 year after
17 receiving its certificate of eligibility for a partial abatement;

18 (g) The business meets at least one of the following
19 requirements:

20 (1) The business will make a new capital investment of at
21 least \$250,000 in this State within 1 year after receiving its
22 certificate of eligibility for a partial abatement;

23 (2) The business will maintain and possess in this State
24 tangible personal property having a value of not less than
25 \$5,000,000 during the period of partial abatement;

26 (3) The business develops, refines or owns a patent or other
27 intellectual property, or has been issued a type certificate by the
28 Federal Aviation Administration pursuant to 14 C.F.R. Part 21; and

29 (h) If the application is for the partial abatement of the taxes
30 imposed by the Local School Support Tax Law, the application has
31 been approved by a vote of at least two-thirds of the members of the
32 Board of Economic Development created by NRS 231.033.

33 3. The Office of Economic Development:

34 (a) Shall approve or deny an application submitted pursuant to
35 this section and notify the applicant of its decision not later than 45
36 days after receiving the application.

37 (b) Must not:

38 (1) Consider an application for a partial abatement unless the
39 Office has requested a letter of acknowledgment of the request for
40 the partial abatement from any affected county, school district, city
41 or town and has complied with the requirements of NRS 360.757; or

42 (2) Approve a partial abatement for any applicant for a
43 period of more than 10 years.

44 *(c) Notwithstanding the provisions of subsection 2, may*
45 *require the agreement described in paragraph (a) of subsection 2*



to incorporate a plan by the business to provide opportunities for career exploration to pupils enrolled in public schools in this State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the business or to provide for employees of the business to serve as full-time or part-time instructors for career and technical education courses.

4. The Office of Economic Development must not approve a partial abatement of personal property taxes for a business whose physical property is collectively valued and centrally assessed pursuant to NRS 361.320 and 361.3205.

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

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from personal property taxes, the appropriate county treasurer.

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

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

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

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

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

the business shall repay to the Department or, if the partial abatement was from personal property taxes, to the appropriate county treasurer, the amount of the partial abatement that was allowed pursuant to this section before the failure of the business to comply unless the Nevada Tax Commission determines that the business has substantially complied with the requirements of this section. Except as otherwise provided in NRS 360.232 and 360.320, the business shall, in addition to the amount of the partial abatement



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

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

10. The Nevada Tax Commission may adopt such regulations as the Commission determines are necessary to carry out the provisions of this section.

11. An applicant for a partial abatement who is aggrieved by a final decision of the Office of Economic Development may petition a court of competent jurisdiction to review the decision in the manner provided in chapter 233B of NRS.

12. As used in this section:

(a) “Aircraft” means any fixed-wing, rotary-wing or unmanned aerial vehicle.

(b) “Component of an aircraft” means any:

(1) Element that makes up the physical structure of an aircraft, or is affixed thereto;

(2) Mechanical, electrical or other system of an aircraft, including, without limitation, any component thereof; and

(3) Raw material or processed material, part, machinery, tool, chemical, gas or equipment used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft or component of an aircraft.

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

(d) “Local sales and use taxes” means any taxes imposed on the gross receipts of any retailer from the sale of tangible personal property sold at retail, or stored, used or otherwise consumed, in any political subdivision of this State, except the taxes imposed by the Sales and Use Tax Act.

(e) “Personal property taxes” means any taxes levied on personal property by the State or a local government pursuant to chapter 361 of NRS.

Sec. 16. NRS 360.754 is hereby amended to read as follows:

360.754 1. A person who intends to locate or expand a data center in this State may apply to the Office of Economic Development pursuant to this section for a partial abatement of one



1 or more of the taxes imposed on the new or expanded data center
2 pursuant to chapter 361 or 374 of NRS.

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

6 (a) The application is consistent with the State Plan for
7 Economic Development developed by the Executive Director of the
8 Office of Economic Development pursuant to subsection 2 of NRS
9 231.053 and any guidelines adopted by the Executive Director of the
10 Office to implement the State Plan for Economic Development.

11 (b) Not later than 1 year after the date on which the application
12 was received by the Office, the applicant has executed an agreement
13 with the Office of Economic Development which must:

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

15 (2) State the date on which the abatement becomes effective,
16 as agreed to by the applicant and the Office of Economic
17 Development, which must not be earlier than the date on which the
18 Office received the application and not later than 1 year after the
19 date on which the Office approves the application;

20 (3) State that the data center will, after the date on which the
21 abatement becomes effective, continue in operation in this State for
22 a period specified by the Office of Economic Development, which
23 must be at least 10 years, and will continue to meet the eligibility
24 requirements set forth in this subsection; and

25 (4) Bind the successors in interest of the applicant for the
26 specified period.

27 (c) The applicant is registered pursuant to the laws of this State
28 or the applicant commits to obtain a valid business license and all
29 other permits required by each county, city or town in which the
30 data center operates.

31 (d) If the applicant is seeking a partial abatement for a period of
32 not more than 10 years, the applicant meets the following
33 requirements:

34 (1) The data center will, by not later than the date that is 5
35 years after the date on which the abatement becomes effective, have
36 or have added 10 or more full-time employees who are residents of
37 Nevada and who will be employed at the data center and will
38 continue to employ 10 or more full-time employees who are
39 residents of Nevada at the data center until at least the date which is
40 10 years after the date on which the abatement becomes effective.

41 (2) Establishing or expanding the data center will require the
42 data center or any combination of the data center and one or more
43 colocated businesses to make in each county in this State in which
44 the data center is located, by not later than the date which is 5 years
45 after the date on which the abatement becomes effective, a



1 cumulative capital investment of at least \$25,000,000 in capital
2 assets that will be used or located at the data center.

3 (3) The average hourly wage that will be paid by the data
4 center to its employees in this State is at least 100 percent of the
5 average statewide hourly wage as established by the Employment
6 Security Division of the Department of Employment, Training and
7 Rehabilitation on July 1 of each fiscal year and:

8 (I) The data center will, by not later than the date which is
9 2 years after the date on which the abatement becomes effective,
10 provide a health insurance plan for all employees employed at the
11 data center that includes an option for health insurance coverage for
12 dependents of the employees; and

13 (II) The health care benefits provided to employees
14 employed at the data center will meet the minimum requirements for
15 health care benefits established by the Office of Economic
16 Development by regulation pursuant to subsection 13.

17 (4) At least 50 percent of the employees engaged in the
18 construction of the data center are residents of Nevada, unless
19 waived by the Executive Director of the Office of Economic
20 Development upon proof satisfactory to the Executive Director of
21 the Office of Economic Development that there is an insufficient
22 number of residents of Nevada available and qualified for such
23 employment.

24 (e) If the applicant is seeking a partial abatement for a period of
25 10 years or more but not more than 20 years, the applicant meets the
26 following requirements:

27 (1) The data center will, by not later than the date that is 5
28 years after the date on which the abatement becomes effective, have
29 or have added 50 or more full-time employees who are residents of
30 Nevada and who will be employed at the data center and will
31 continue to employ 50 or more full-time employees who are
32 residents of Nevada at the data center until at least the date which is
33 20 years after the date on which the abatement becomes effective.

34 (2) Establishing or expanding the data center will require the
35 data center or any combination of the data center and one or more
36 colocated businesses to make in each county in this State in which
37 the data center is located, by not later than the date which is 5 years
38 after the date on which the abatement becomes effective, a
39 cumulative capital investment of at least \$100,000,000 in capital
40 assets that will be used or located at the data center.

41 (3) The average hourly wage that will be paid by the data
42 center to its employees in this State is at least 100 percent of the
43 average statewide hourly wage as established by the Employment
44 Security Division of the Department of Employment, Training and
45 Rehabilitation on July 1 of each fiscal year and:



(I) The data center will, by not later than the date which is 2 years after the date on which the abatement becomes effective, provide a health insurance plan for all employees employed at the data center that includes an option for health insurance coverage for dependents of the employees; and

(II) The health care benefits provided to employees employed at the data center will meet the minimum requirements for health care benefits established by the Office of Economic Development by regulation pursuant to subsection 13.

(4) At least 50 percent of the employees engaged in the construction of the data center are residents of Nevada, unless waived by the Executive Director of the Office of Economic Development upon proof satisfactory to the Executive Director of the Office of Economic Development that there is an insufficient number of residents of Nevada available and qualified for such employment.

(f) The applicant has provided in the application an estimate of the total number of new employees which the data center anticipates hiring in this State if the Office of Economic Development approves the application.

(g) If the applicant is seeking a partial abatement of the taxes imposed by the Local School Support Tax Law, the application has been approved by a vote of at least two-thirds of the members of the Board of Economic Development created by NRS 231.033.

3. Notwithstanding the provisions of subsection 2, the Office of Economic Development:

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

(b) Shall consider the level of health care benefits provided to employees employed at the data center, the projected economic impact of the data center and the projected tax revenue of the data center after deducting projected revenue from the abated taxes.

(c) May, if the Office of Economic Development determines that such action is necessary:

(1) Approve an application for a partial abatement pursuant to this section by a data center that does not meet the requirements set forth in paragraph (d) or (e) of subsection 2;

(2) Make the requirements set forth in paragraphs (d) and (e) of subsection 2 more stringent; or

(3) Add additional requirements that an applicant must meet to qualify for a partial abatement pursuant to this section.

(d) May require the agreement described in paragraph (b) of subsection 2 to incorporate a plan by the data center to provide



opportunities for career exploration to pupils enrolled in public schools in this State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the data center or to provide for employees of the data center to serve as full-time or part-time instructors or career and technical education courses.

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

(a) The Department;

(b) The Nevada Tax Commission; and

(c) If the partial abatement is from the property tax imposed pursuant to chapter 361 of NRS, the county treasurer of each county in which the data center is or will be located.

5. If the Office of Economic Development approves an application for a partial abatement pursuant to this section, the Office may also approve a partial abatement of taxes for each colocated business that enters into a contract to use or occupy, for a period of at least 2 years, all or a portion of the new or expanded data center. Each such colocated business shall obtain a state business license issued by the Secretary of State. The percentage amount of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the percentage amount of the partial abatement approved for the data center. The duration of a partial abatement approved for a colocated business pursuant to this subsection must not exceed the duration of the contract or contracts entered into between the colocated business and the data center, including the duration of any contract or contracts extended or renewed by the parties. If a colocated business ceases to meet the requirements set forth in this subsection, the colocated business shall repay the amount of the abatement that was allowed in the same manner in which a data center is required by subsection 8 to repay the Department or a county treasurer. If a data center ceases to meet the requirements of subsection 2 or ceases operation before the time specified in the agreement described in paragraph (b) of subsection 2, any partial abatement approved for a colocated business ceases to be in effect, but the colocated business is not required to repay the amount of the abatement that was allowed before the date on which the abatement ceases to be in effect. A data center shall provide the Executive Director of the Office and the Department with a list of the colocated businesses that are qualified to receive a partial abatement pursuant to this subsection and shall notify the Executive Director within 30 days after any change to the list. The Executive Director shall provide the list and any updates to



1 the list to the Department and the county treasurer of each affected
2 county.

3 6. An applicant for a partial abatement pursuant to this section
4 or a data center whose partial abatement is in effect shall, upon the
5 request of the Executive Director of the Office of Economic
6 Development, furnish the Executive Director with copies of all
7 records necessary to verify that the applicant meets the requirements
8 of subsection 2.

9 7. If an applicant for a partial abatement pursuant to this
10 section fails to execute the agreement described in paragraph (b) of
11 subsection 2 within 1 year after the date on which the application
12 was received by the Office, the applicant shall not be approved for a
13 partial abatement pursuant to this section unless the applicant
14 submits a new application.

15 8. If a data center whose partial abatement has been approved
16 pursuant to this section and is in effect ceases:

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

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

20 ➡ the data center shall repay to the Department or, if the partial
21 abatement was from the property tax imposed pursuant to chapter
22 361 of NRS, to the county treasurer, the amount of the partial
23 abatement that was allowed pursuant to this section before the
24 failure of the data center to comply unless the Nevada Tax
25 Commission determines that the data center has substantially
26 complied with the requirements of this section. Except as otherwise
27 provided in NRS 360.232 and 360.320, the data center shall, in
28 addition to the amount of the partial abatement required to be repaid
29 pursuant to this subsection, pay interest on the amount due at the
30 rate most recently established pursuant to NRS 99.040 for each
31 month, or portion thereof, from the last day of the month following
32 the period for which the payment would have been made had the
33 partial abatement not been approved until the date of payment of the
34 tax.

35 9. A county treasurer:

36 (a) Shall deposit any money that he or she receives pursuant to
37 subsection 5 or 8 in one or more of the funds established by a local
38 government of the county pursuant to NRS 354.6113 or 354.6115;
39 and

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

42 10. An applicant for a partial abatement pursuant to this section
43 who is aggrieved by a final decision of the Office of Economic
44 Development may petition for judicial review in the manner
45 provided in chapter 233B of NRS.



11. For an employee to be considered a resident of Nevada for the purposes of this section, a data center must maintain the following documents in the personnel file of the employee:

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

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

(c) Proof that the employee is a full-time employee; and

(d) Proof that the employee is covered by the health insurance plan which the data center is required to provide pursuant to sub-subparagraph (I) of subparagraph (3) of paragraph (d) of subsection 2 or sub-subparagraph (I) of subparagraph (3) of paragraph (e) of subsection 2.

12. For the purpose of obtaining from the Executive Director of the Office of Economic Development any waiver of the requirements set forth in subparagraph (4) of paragraph (d) of subsection 2 or subparagraph (4) of paragraph (e) of subsection 2, a data center must submit to the Executive Director of the Office of Economic Development written documentation of the efforts to meet the requirements and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

13. The Office of Economic Development:

(a) Shall adopt regulations relating to the minimum level of health care benefits that a data center must provide to its employees to meet the requirement set forth in paragraph (d) or (e) of subsection 2;

(b) May adopt such other regulations as the Office determines to be necessary to carry out the provisions of this section; and

(c) Shall not approve any application for a partial abatement submitted pursuant to this section which is received on or after January 1, 2036.

14. The Nevada Tax Commission:

(a) Shall adopt regulations regarding:

(1) The capital investment necessary to meet the requirement set forth in paragraph (d) or (e) of subsection 2; and

(2) Any security that a data center is required to post to qualify for a partial abatement pursuant to this section.

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

15. As used in this section, unless the context otherwise requires:



(a) "Colocated business" means a person who enters into a contract with a data center that is qualified to receive an abatement pursuant to this section to use or occupy all or part of the data center.

(b) "Data center" means one or more buildings located at one or more physical locations in this State which house a group of networked server computers for the purpose of centralizing the storage, management and dissemination of data and information pertaining to one or more businesses and includes any modular or preassembled components, associated telecommunications and storage systems and, if the data center includes more than one building or physical location, any network or connection between such buildings or physical locations.

(c) "Full-time employee" means a person who is in a permanent position of employment and works an average of 30 hours per week during the applicable period set forth in paragraph (d) or (e) of subsection 2.

Sec. 17. NRS 360.759 is hereby amended to read as follows:

360.759 1. A production company that produces a qualified production in this State in whole or in part may apply to the Office of Economic Development for a certificate of eligibility for transferable tax credits for any qualified direct production expenditures. The transferable tax credits may be applied to:

(a) Any tax imposed by chapters 363A and 363B of NRS;

(b) The gaming license fees imposed by the provisions of NRS 463.370;

(c) Any tax imposed pursuant to chapter 680B of NRS; or

(d) Any combination of the fees and taxes described in paragraphs (a), (b) and (c).

2. The Office may approve an application for a certificate of eligibility for transferable tax credits if the Office finds that the production company producing the qualified production qualifies for the transferable tax credits pursuant to subsection 3. If the Office approves the application, the Office shall calculate the estimated amount of the transferable tax credits pursuant to NRS 360.7592, 360.7593 and 360.7594.

3. To be eligible for transferable tax credits pursuant to this section, a production company must:

(a) Submit an application that meets the requirements of subsection 4;

(b) Provide proof satisfactory to the Office that the qualified production is in the economic interest of the State;

(c) Provide proof satisfactory to the Office that 70 percent or more of the funding for the qualified production has been obtained;



(d) Provide proof satisfactory to the Office that at least 60 percent of the direct production expenditures for:

(1) Preproduction;

(2) Production; and

(3) If any direct production expenditures for postproduction will be incurred in this State, postproduction, of the qualified production will be incurred in this State as qualified direct production expenditures;

(e) Not later than 270 days after the completion of principal photography of the qualified production or, if any direct production expenditures for postproduction will be incurred in this State, not later than 270 days after the completion of postproduction, unless the Office agrees to extend this period by not more than 90 days, provide the Office with an audit of the qualified production that includes an itemized report of qualified direct production expenditures which:

(1) Shows that the qualified production incurred qualified direct production expenditures of \$500,000 or more; and

(2) Is certified by an independent certified public accountant in this State who is approved by the Office;

(f) Pay the cost of the audit required by paragraph (e);

(g) Enter into a written agreement with the Office that requires the production company to include:

(1) In the end screen credits of the qualified production, a logo of this State provided by the Office which indicates that the qualified production was filmed or otherwise produced in Nevada; or

(2) If the qualified production does not have end screen credits, another acknowledgment in the final version of the qualified production which indicates that the qualified production was filmed or otherwise produced in Nevada; and

(h) Meet any other requirements prescribed by regulation pursuant to this section.

4. An application submitted pursuant to subsection 3 must contain:

(a) A script, storyboard or synopsis of the qualified production;

(b) The names of the production company, producer, director and proposed cast;

(c) An estimated timeline to complete the qualified production;

(d) A summary of the budgeted expenditures for the entire production, including projected expenditures to be incurred outside of Nevada;

(e) Details regarding the financing of the project, including, without limitation, any information relating to a binding financing



1 commitment, loan application, commitment letter or investment
2 letter;

3 (f) An insurance certificate, binder or quote for general liability
4 insurance of \$1,000,000 or more;

5 (g) The business address of the production company;

6 (h) Proof that the qualified production meets any applicable
7 requirements relating to workers' compensation insurance;

8 (i) Proof that the production company has secured all licenses
9 and registrations required to do business in each location in this
10 State at which the qualified production will be produced; and

11 (j) Any other information required by regulations adopted by the
12 Office pursuant to subsection ~~8~~ 9.

13 5. *In addition to meeting the requirements set forth in*
14 *subsection 3, the Office may require a production company to*
15 *enter into an agreement with the Office that incorporates a plan*
16 *by the production company to provide opportunities for career*
17 *exploration to pupils enrolled in public schools in this State, which*
18 *may include, without limitation, a proposal to offer work-based*
19 *learning or apprenticeship opportunities with the qualified*
20 *production or to provide for employees of the production company*
21 *to serve as full-time or part-time instructors for career and*
22 *technical education courses.*

23 6. If the Office approves an application for a certificate of
24 eligibility for transferable tax credits pursuant to this section, the
25 Office shall immediately forward a copy of the certificate of
26 eligibility which identifies the estimated amount of the tax credits
27 available pursuant to NRS 360.7592 to:

28 (a) The applicant;

29 (b) The Department; and

30 (c) The Nevada Gaming Control Board.

31 ~~16~~ 7. Within 60 business days after receipt of an audit
32 provided by a production company pursuant to paragraph (e) of
33 subsection 3 and any other accountings or other information
34 required by the Office, the Office shall determine whether to certify
35 the audit and make a final determination of whether a certificate of
36 transferable tax credits will be issued. If the Office certifies the
37 audit, determines that all other requirements for the transferable tax
38 credits have been met and determines that a certificate of
39 transferable tax credits will be issued, the Office shall notify the
40 production company that the transferable tax credits will be issued.
41 Within 30 days after the receipt of the notice, the production
42 company shall make an irrevocable declaration of the amount of
43 transferable tax credits that will be applied to each fee or tax set
44 forth in subsection 1, thereby accounting for all of the credits which
45 will be issued. Upon receipt of the declaration, the Office shall issue



1 to the production company a certificate of transferable tax credits in
2 the amount approved by the Office for the fees or taxes included in
3 the declaration of the production company. The production company
4 shall notify the Office upon transferring any of the transferable tax
5 credits. The Office shall notify the Department and the Nevada
6 Gaming Control Board of all transferable tax credits issued,
7 segregated by each fee or tax set forth in subsection 1, and the
8 amount of any transferable tax credits transferred.

9 ~~7.7~~ 8. An applicant for transferable tax credits pursuant to this
10 section shall, upon the request of the Executive Director of the
11 Office, furnish the Executive Director with copies of all records
12 necessary to verify that the applicant meets the requirements of
13 subsection 3.

14 ~~8.1~~ 9. The Office:

15 (a) Shall adopt regulations prescribing:

16 (1) Any additional requirements to receive transferable tax
17 credits;

18 (2) Any additional qualified expenditures or production costs
19 that may serve as the basis for transferable tax credits pursuant to
20 NRS 360.7591;

21 (3) Any additional information that must be included with an
22 application pursuant to subsection 4;

23 (4) The application review process;

24 (5) Any type of qualified production which, due to obscene
25 or sexually explicit material, is not eligible for transferable tax
26 credits; and

27 (6) The requirements for notice pursuant to NRS 360.7595;
28 and

29 (b) May adopt any other regulations that are necessary to carry
30 out the provisions of NRS 360.758 to 360.7598, inclusive.

31 ~~9.1~~ 10. The Nevada Tax Commission and the Nevada Gaming
32 Commission:

33 (a) Shall adopt regulations prescribing the manner in which
34 transferable tax credits will be administered.

35 (b) May adopt any other regulations that are necessary to carry
36 out the provisions of NRS 360.758 to 360.7598, inclusive.

37 **Sec. 18.** NRS 360.888 is hereby amended to read as follows:

38 360.888 "Qualified project" means a project which the Office
39 of Economic Development determines meets all the requirements
40 set forth in subsections 2, 3, ~~5 and~~ 4, 6 and 7 of NRS 360.889.

41 **Sec. 19.** NRS 360.889 is hereby amended to read as follows:

42 360.889 1. On behalf of a project, the lead participant in the
43 project may apply to the Office of Economic Development for:

44 (a) A certificate of eligibility for transferable tax credits which
45 may be applied to:



(1) Any tax imposed by chapters 363A and 363B of NRS;
(2) The gaming license fees imposed by the provisions of NRS 463.370;

(3) Any tax imposed by chapter 680B of NRS; or
(4) Any combination of the fees and taxes described in subparagraphs (1), (2) and (3).

(b) A partial abatement of property taxes, employer excise taxes or local sales and use taxes, or any combination of any of those taxes.

2. For a project to be eligible for the transferable tax credits described in paragraph (a) of subsection 1 and the partial abatement of the taxes described in paragraph (b) of subsection 1, the lead participant in the project must, on behalf of the project:

(a) Submit an application that meets the requirements of subsection ~~5.1~~ 6;

(b) Provide documentation satisfactory to the Office that approval of the application would promote the economic development of this State and aid the implementation of the State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of NRS 231.053;

(c) Provide documentation satisfactory to the Office that the participants in the project collectively will make a total new capital investment of at least \$1 billion in this State within the 10-year period immediately following approval of the application;

(d) Provide documentation satisfactory to the Office that the participants in the project are engaged in a common business purpose or industry;

(e) Provide documentation satisfactory to the Office that the place of business of each participant is or will be located within the geographic boundaries of the project site or sites;

(f) Provide documentation satisfactory to the Office that each participant in the project is registered pursuant to the laws of this State or commits to obtaining a valid business license and all other permits required by the county, city or town in which the project operates;

(g) Provide documentation satisfactory to the Office of the number of employees engaged in the construction of the project;

(h) Provide documentation satisfactory to the Office of the number of qualified employees employed or anticipated to be employed at the project by the participants;

(i) Provide documentation satisfactory to the Office that each employer engaged in the construction of the project provides a plan of health insurance and that each employee engaged in the construction of the project is offered coverage under the plan of health insurance provided by his or her employer;



(j) Provide documentation satisfactory to the Office that each participant in the project provides a plan of health insurance and that each employee employed at the project by each participant is offered coverage under the plan of health insurance provided by his or her employer;

(k) Provide documentation satisfactory to the Office that at least 50 percent of the employees engaged in construction of the project and 50 percent of the employees employed at the project are residents of Nevada, unless waived by the Executive Director of the Office upon proof satisfactory to the Executive Director of the Office that there is an insufficient number of Nevada residents available and qualified for such employment;

(l) Agree to provide the Office with a full compliance audit of the participants in the project at the end of each fiscal year which:

(1) Shows the amount of money invested in this State by each participant in the project;

(2) Shows the number of employees engaged in the construction of the project and the number of those employees who are residents of Nevada;

(3) Shows the number of employees employed at the project by each participant and the number of those employees who are residents of Nevada; and

(4) Is certified by an independent certified public accountant in this State who is approved by the Office;

(m) Pay the cost of the audit required by paragraph (l);

(n) Enter into an agreement with the governing body of the city or county in which the qualified project is located that:

(1) Requires the lead participant to pay the cost of any engineering or design work necessary to determine the cost of infrastructure improvements required to be made by the governing body pursuant to an economic development financing proposal approved pursuant to NRS 360.990; and

(2) Requires the lead participant to seek reimbursement for any costs paid by the lead participant pursuant to subparagraph (1) from the proceeds of bonds issued pursuant to NRS 360.991; and

(o) Meet any other requirements prescribed by the Office.

3. In addition to meeting the requirements set forth in subsection 2, for a project located on more than one site in this State to be eligible for the partial abatement of the taxes described in paragraph (b) of subsection 1, the lead participant must, on behalf of the project, submit an application that meets the requirements of subsection ~~5~~ 6 on or before June 30, 2019, and provide documentation satisfactory to the Office that:

(a) The initial project will have a total of 500 or more full-time employees employed at the site of the initial project and the average



hourly wage that will be paid to employees of the initial project in this State is at least 120 percent of the average statewide hourly wage as established by the Employment Security Division of the Department of Employment, Training and Rehabilitation on July 1 of each fiscal year;

(b) Each participant in the project must be a subsidiary or affiliate of the lead participant; and

(c) Each participant offers primary jobs and:

(1) Except as otherwise provided in subparagraph (2), satisfies the requirements of paragraph (f) or (g) of subsection 2 of NRS 360.750, regardless of whether the business is a new business or an existing business; and

(2) If a participant owns, operates, manufactures, services, maintains, tests, repairs, overhauls or assembles an aircraft or any component of an aircraft, that the participant satisfies the applicable requirements of paragraph (f) or (g) of subsection 2 of NRS 360.753.

➤ If any participant is a data center, as defined in NRS 360.754, any capital investment by that participant must not be counted in determining whether the participants in the project collectively will make a total new capital investment of at least \$1 billion in this State within the 10-year period immediately following approval of the application, as required by paragraph (c) of subsection 2.

4. *In addition to meeting the requirements set forth in subsection 2, the Office may require the lead participant in the project, on behalf of the project, to enter into an agreement with the Office that incorporates a plan by the participants in the project to provide opportunities for career exploration to pupils enrolled in public schools in this State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the project or to provide for employees of the participants to serve as full-time or part-time instructors for career and technical education courses.*

5. In addition to meeting the requirements set forth in subsection 2, a project is eligible for the transferable tax credits described in paragraph (a) of subsection 1 only if the Interim Finance Committee approves a written request for the issuance of the transferable tax credits. Such a request may only be submitted by the Office and only after the Office has approved the application submitted for the project pursuant to subsection 2. The Interim Finance Committee may approve a request submitted pursuant to this subsection only if the Interim Finance Committee determines that approval of the request:

(a) Will not impede the ability of the Legislature to carry out its duty to provide for an annual tax sufficient to defray the estimated



1 expenses of the State for each fiscal year as set forth in Article 9,
2 Section 2 of the Nevada Constitution; and

3 (b) Will promote the economic development of this State and
4 aid the implementation of the State Plan for Economic Development
5 developed by the Executive Director of the Office pursuant to
6 subsection 2 of NRS 231.053.

7 ~~15.1~~ 6. An application submitted pursuant to subsection 2 must
8 include:

9 (a) A detailed description of the project, including a description
10 of the common purpose or business endeavor in which the
11 participants in the project are engaged;

12 (b) A detailed description of the location of the project,
13 including a precise description of the geographic boundaries of the
14 project site or sites;

15 (c) The name and business address of each participant in the
16 project, which must be an address in this State;

17 (d) A detailed description of the plan by which the participants
18 in the project intend to comply with the requirement that the
19 participants collectively make a total new capital investment of at
20 least \$1 billion in this State in the 10-year period immediately
21 following approval of the application;

22 (e) If the application includes one or more partial abatements, an
23 agreement executed by the Office with the lead participant in the
24 project not later than 1 year after the date on which the application
25 was received by the Office which:

26 (1) Complies with the requirements of NRS 360.755;

27 (2) States the date on which the partial abatement becomes
28 effective, as agreed to by the applicant and the Office, which must
29 not be earlier than the date on which the Office received the
30 application and not later than 1 year after the date on which the
31 Office approves the application;

32 (3) States that the project will, after the date on which a
33 certificate of eligibility for the partial abatement is approved
34 pursuant to NRS 360.893, continue in operation in this State for a
35 period specified by the Office; and

36 (4) Binds successors in interest of the lead participant for the
37 specified period; and

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

39 ~~16.1~~ 7. For an employee to be considered a resident of Nevada
40 for the purposes of this section, each participant in the project must
41 maintain the following documents in the personnel file of the
42 employee:

43 (a) A copy of the:

44 (1) Current and valid Nevada driver's license of the
45 employee originally issued by the Department of Motor Vehicles



1 more than 60 days before the hiring of the employee or a current and
2 valid identification card for the employee originally issued by the
3 Department of Motor Vehicles more than 60 days before the hiring
4 of the employee; or

5 (2) If the employee is a veteran of the Armed Forces of the
6 United States, a current and valid Nevada driver's license of the
7 employee or a current and valid identification card for the employee
8 issued by the Department of Motor Vehicles;

9 (b) If the employee is a registered owner of one or more motor
10 vehicles in Nevada, a copy of the current motor vehicle registration
11 of at least one of those vehicles;

12 (c) Proof that the employee is employed full-time and scheduled
13 to work for an average minimum of 30 hours per week; and

14 (d) Proof that the employee is offered coverage under a plan of
15 health insurance provided by his or her employer.

16 ~~[7-]~~ 8. For the purpose of obtaining from the Executive
17 Director of the Office any waiver of the requirement set forth in
18 paragraph (k) of subsection 2, the lead participant in the project
19 must submit to the Executive Director of the Office written
20 documentation of the efforts to meet the requirement and
21 documented proof that an insufficient number of Nevada residents is
22 available and qualified for employment.

23 ~~[8-]~~ 9. The Executive Director of the Office shall make
24 available to the public and post on the Internet website of the Office:

25 (a) Any request for a waiver of the requirements set forth in
26 paragraph (k) of subsection 2; and

27 (b) Any approval of such a request for a waiver that is granted
28 by the Executive Director of the Office.

29 ~~[9-]~~ 10. The Executive Director of the Office shall post a
30 request for a waiver of the requirements set forth in paragraph (k) of
31 subsection 2 on the Internet website of the Office within 3 days after
32 receiving the request and shall keep the request posted on the
33 Internet website for not less than 5 days. The Executive Director of
34 the Office shall ensure that the Internet website allows members of
35 the public to post comments regarding the request.

36 ~~[10-]~~ 11. The Executive Director of the Office shall consider
37 any comments posted on the Internet website concerning any
38 request for a waiver of the requirements set forth in paragraph (k) of
39 subsection 2 before making a decision regarding whether to approve
40 the request. If the Executive Director of the Office approves the
41 request for a waiver, the Executive Director of the Office must post
42 the approval on the Internet website of the Office within 3 days and
43 ensure that the Internet website allows members of the public to post
44 comments regarding the approval.



~~11.1~~ 12. If an applicant for one or more partial abatements pursuant to this section fails to execute the agreement described in paragraph (e) of subsection ~~5~~ 6 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for a partial abatement pursuant to this section unless the applicant submits a new application.

Sec. 20. NRS 360.891 is hereby amended to read as follows:

360.891 1. If the Office of Economic Development approves an application for a certificate of eligibility for transferable tax credits submitted pursuant to paragraph (a) of subsection 1 of NRS 360.889 and the Interim Finance Committee approves a written request for the issuance of transferable tax credits pursuant to subsection ~~4~~ 5 of NRS 360.889, the Office shall immediately forward a copy of the certificate of eligibility which identifies the estimated amount of the tax credits available pursuant to this section to:

- (a) The lead participant in the qualified project;
- (b) The Department; and
- (c) The Nevada Gaming Control Board.

2. Within 14 business days after receipt of an audit provided by the lead participant in the qualified project pursuant to paragraph (1) of subsection 2 of NRS 360.889 and any other accountings or other information required by the Office, the Office shall determine whether to certify the audit and make a final determination of whether a certificate of transferable tax credits will be issued. If the Office certifies the audit and determines that all other requirements for the transferable tax credits have been met, the Office shall notify the lead participant in the qualified project that the transferable tax credits will be issued. Within 30 days after the receipt of the notice, the lead participant in the qualified project shall make an irrevocable declaration of the amount of transferable tax credits that will be applied to each fee or tax set forth in subparagraphs (1), (2) and (3) of paragraph (a) of subsection 1 of NRS 360.889, thereby accounting for all of the credits which will be issued. Upon receipt of the declaration, the Office shall issue to the lead participant a certificate of transferable tax credits in the amount approved by the Office for the fees or taxes included in the declaration. The lead participant shall notify the Department upon transferring any of the transferable tax credits. The Office shall notify the Department and the Nevada Gaming Control Board of all transferable tax credits issued, segregated by each fee or tax set forth in subparagraphs (1), (2) and (3) of paragraph (a) of subsection 1 of NRS 360.889. The Department shall notify the Office and the Nevada Gaming Control Board of the amount of any transferable tax credits transferred.



3. A qualified project may be approved for a certificate of eligibility for transferable tax credits in the amount of \$9,500 for each qualified employee, up to a maximum of 4,000 qualified employees.

4. For the purpose of computing the amount of transferable tax credits for which a qualified project is eligible pursuant to subsection 3:

(a) Each qualified employee must be:

(1) Employed by a participant at the site of the qualified project.

(2) Employed full-time and scheduled to work for an average minimum of 30 hours per week.

(3) Employed for at least the last 3 consecutive months of the fiscal year.

(4) Offered coverage under a plan of health insurance provided by his or her employer.

(b) The wages for federal income tax purposes reported or required to be reported on Form W-2 of the qualified employees of the qualified project must be paid at an average rate of \$22 per hour.

(c) An employee engaged solely in the construction of the qualified project is deemed not to be a qualified employee.

Sec. 21. NRS 360.894 is hereby amended to read as follows:

360.894 1. The lead participant in a qualified project shall, upon the request of the Office of Economic Development, furnish the Office with copies of all records necessary to verify that the qualified project meets the eligibility requirements for any transferable tax credits issued pursuant to NRS 360.891 and the partial abatement of any taxes pursuant to NRS 360.893.

2. The lead participant shall repay to the Department or the Nevada Gaming Control Board, as applicable, any portion of the transferable tax credits to which the lead participant is not entitled if:

(a) The participants in the qualified project collectively fail to make the investment in this State necessary to support the determination by the Executive Director of the Office of Economic Development that the project is a qualified project;

(b) The participants in the qualified project collectively fail to employ the number of qualified employees identified in the certificate of eligibility approved for the qualified project;

(c) The lead participant submits any false statement, representation or certification in any document submitted for the purpose of obtaining transferable tax credits; or

(d) The lead participant otherwise becomes ineligible for transferable tax credits after receiving the transferable tax credits pursuant to NRS 360.880 to 360.896, inclusive.



3. Transferable tax credits purchased in good faith are not subject to forfeiture unless the transferee submitted fraudulent information in connection with the purchase.

4. Notwithstanding any provision of this chapter or chapter 361 of NRS, if the lead participant in a qualified project for which a partial abatement has been approved pursuant to NRS 360.893 and is in effect:

(a) Fails to meet the requirements for eligibility pursuant to that section; or

(b) Ceases operation before the time specified in the agreement described in paragraph (e) of subsection ~~5~~ 6 of NRS 360.889,

the lead participant shall repay to the Department or, if the partial abatement is from the property tax imposed by chapter 361 of NRS, to the appropriate county treasurer, the amount of the partial abatement that was allowed to the lead participant pursuant to NRS 360.893 before the failure of the lead participant to meet the requirements for eligibility. Except as otherwise provided in NRS 360.232 and 360.320, the lead participant shall, in addition to the amount of the partial abatement required to be repaid by the lead participant pursuant to this subsection, pay interest on the amount due from the lead participant at the rate most recently established pursuant to NRS 99.040 for each month, or portion thereof, from the last day of the month following the period for which the payment would have been made had the partial abatement not been approved until the date of payment of the tax.

5. The Secretary of State may, upon application by the Executive Director of the Office, revoke or suspend the state business license of the lead participant in a qualified project which is required to repay any portion of transferable tax credits pursuant to subsection 2 or the amount of any partial abatement pursuant to subsection 4 and which the Office determines is not in compliance with the provisions of this section governing repayment. If the state business license of the lead participant in a qualified project is suspended or revoked pursuant to this subsection, the Secretary of State shall provide written notice of the action to the lead participant. The Secretary of State shall not reinstate a state business license suspended pursuant to this subsection or issue a new state business license to the lead participant whose state business license has been revoked pursuant to this subsection unless the Executive Director of the Office provides proof satisfactory to the Secretary of State that the lead participant is in compliance with the requirements of this section governing repayment.



Sec. 22. NRS 360.940 is hereby amended to read as follows:

360.940 “Qualified project” means a project which the Office of Economic Development determines meets all the requirements set forth in subsections 2, ~~[3 and 4]~~ *to 5, inclusive*, of NRS 360.945.

Sec. 23. NRS 360.945 is hereby amended to read as follows:

360.945 1. On behalf of a project, the lead participant in the project may apply to the Office of Economic Development for:

(a) A certificate of eligibility for transferable tax credits which may be applied to:

(1) Any tax imposed by chapters 363A and 363B of NRS;

(2) The gaming license fees imposed by the provisions of NRS 463.370;

(3) Any tax imposed by chapter 680B of NRS; or

(4) Any combination of the fees and taxes described in subparagraphs (1), (2) and (3).

(b) An abatement of property taxes, employer excise taxes or local sales and use taxes, or any combination of any of those taxes.

2. For a project to be eligible for the transferable tax credits described in paragraph (a) of subsection 1 and abatement of the taxes described in paragraph (b) of subsection 1, the lead participant in the project must, on behalf of the project:

(a) Submit an application that meets the requirements of subsection 3;

(b) Provide documentation satisfactory to the Office that approval of the application would promote the economic development of this State and aid the implementation of the State Plan for Economic Development developed by the Executive Director of the Office pursuant to subsection 2 of NRS 231.053;

(c) Provide documentation satisfactory to the Office that the participants in the project collectively will make a total new capital investment of at least \$3.5 billion in this State within the 10-year period immediately following approval of the application;

(d) Provide documentation satisfactory to the Office that the participants in the project are engaged in a common business purpose or industry;

(e) Provide documentation satisfactory to the Office that the place of business of each participant is or will be located within the geographic boundaries of the project site;

(f) Provide documentation satisfactory to the Office that each participant in the project is registered pursuant to the laws of this State or commits to obtaining a valid business license and all other permits required by the county, city or town in which the project operates;

(g) Provide documentation satisfactory to the Office of the number of employees engaged in the construction of the project;



(h) Provide documentation satisfactory to the Office of the number of qualified employees employed or anticipated to be employed at the project by the participants;

(i) Provide documentation satisfactory to the Office that each employer engaged in the construction of the project provides a plan of health insurance and that each employee engaged in the construction of the project is offered coverage under the plan of health insurance provided by his or her employer;

(j) Provide documentation satisfactory to the Office that each participant in the project provides a plan of health insurance and that each employee employed at the project by each participant is offered coverage under the plan of health insurance provided by his or her employer;

(k) Provide documentation satisfactory to the Office that at least 50 percent of the employees engaged in construction of the project and 50 percent of the employees employed at the project are residents of Nevada, unless waived by the Executive Director of the Office upon proof satisfactory to the Executive Director of the Office that there is an insufficient number of Nevada residents available and qualified for such employment;

(l) Agree to provide the Office with a full compliance audit of the participants in the project at the end of each fiscal year which:

(1) Shows the amount of money invested in this State by each participant in the project;

(2) Shows the number of employees engaged in the construction of the project and the number of those employees who are residents of Nevada;

(3) Shows the number of employees employed at the project by each participant and the number of those employees who are residents of Nevada; and

(4) Is certified by an independent certified public accountant in this State who is approved by the Office;

(m) Pay the cost of the audit required by paragraph (l);

(n) Enter into an agreement with the governing body of the city or county in which the qualified project is located that:

(1) Requires the lead participant to pay the cost of any engineering or design work necessary to determine the cost of infrastructure improvements required to be made by the governing body pursuant to an economic development financing proposal approved pursuant to NRS 360.990; and

(2) Requires the lead participant to seek reimbursement for any costs paid by the lead participant pursuant to subparagraph (1) from the proceeds of bonds of the State of Nevada issued pursuant to NRS 360.991; and

(o) Meet any other requirements prescribed by the Office.



3. An application submitted pursuant to subsection 2 must include:

(a) A detailed description of the project, including a description of the common purpose or business endeavor in which the participants in the project are engaged;

(b) A detailed description of the location of the project, including a precise description of the geographic boundaries of the project site;

(c) The name and business address of each participant in the project, which must be an address in this State;

(d) A detailed description of the plan by which the participants in the project intend to comply with the requirement that the participants collectively make a total new capital investment of at least \$3.5 billion in this State in the 10-year period immediately following approval of the application;

(e) If the application includes one or more abatements, an agreement executed by the Office with the lead participant in the project not later than 1 year after the date on which the application was received by the Office which:

(1) Complies with the requirements of NRS 360.755;

(2) States that the project will, after the date on which a certificate of eligibility for the abatement is approved pursuant to NRS 360.965, continue in operation in this State for a period specified by the Office; and

(3) Binds successors in interest of the lead participant for the specified period; and

(f) Any other information required by the Office.

4. *In addition to meeting the requirements set forth in subsection 2, the Office may require the lead participant in the project, on behalf of the project, to enter into an agreement with the Office that incorporates a plan by the participants in the project to provide opportunities for career exploration to pupils enrolled in public schools in this State, which may include, without limitation, a proposal to offer work-based learning or apprenticeship opportunities at the project or to provide for employees of the participants to serve as full-time or part-time instructors for career and technical education courses.*

5. For an employee to be considered a resident of Nevada for the purposes of this section, each participant in the project must maintain the following documents in the personnel file of the employee:

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



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

(c) Proof that the employee is employed full-time and scheduled to work for an average minimum of 30 hours per week; and

(d) Proof that the employee is offered coverage under a plan of health insurance provided by his or her employer.

~~15-1~~ 6. For the purpose of obtaining from the Executive Director of the Office any waiver of the requirement set forth in paragraph (k) of subsection 2, the lead participant in the project must submit to the Executive Director of the Office written documentation of the efforts to meet the requirement and documented proof that an insufficient number of Nevada residents is available and qualified for employment.

~~16-1~~ 7. The Executive Director of the Office shall make available to the public and post on the Internet website for the Office:

(a) Any request for a waiver of the requirements set forth in paragraph (k) of subsection 2; and

(b) Any approval of such a request for a waiver that is granted by the Executive Director of the Office.

~~17-1~~ 8. The Executive Director of the Office shall post a request for a waiver of the requirements set forth in paragraph (k) of subsection 2 on the Internet website of the Office within 3 days after receiving the request and shall keep the request posted on the Internet website for not less than 5 days. The Executive Director of the Office shall ensure that the Internet website allows members of the public to post comments regarding the request.

~~18-1~~ 9. The Executive Director of the Office shall consider any comments posted on the Internet website concerning any request for a waiver of the requirements set forth in paragraph (k) of subsection 2 before making a decision regarding whether to approve the request. If the Executive Director of the Office approves the request for a waiver, the Executive Director of the Office must post the approval on the Internet website of the Office within 3 days and ensure that the Internet website allows members of the public to post comments regarding the approval.

~~19-1~~ 10. If an applicant for one or more abatements pursuant to this section fails to execute the agreement described in paragraph (e) of subsection 3 within 1 year after the date on which the application was received by the Office, the applicant shall not be approved for an abatement pursuant to this section unless the applicant submits a new application.

Sec. 24. 1. There is hereby appropriated from the State General Fund to the Department of Education the sum of \$137,820



1 for one staff position to oversee the implementation of
2 recommendations made by the Commission on Innovation and
3 Excellence in Education pursuant to NRS 385.920.

4 2. Any remaining balance of the appropriation made by
5 subsection 1 must not be committed for expenditure after June 30,
6 2027, by the entity to which the appropriation is made or any entity
7 to which money from the appropriation is granted or otherwise
8 transferred in any manner, and any portion of the appropriated
9 money remaining must not be spent for any purpose after
10 September 17, 2027, by either the entity to which the money was
11 appropriated or the entity to which the money was subsequently
12 granted or transferred, and must be reverted to the State General
13 Fund on or before September 17, 2027.

14 **Sec. 25.** 1. There is hereby appropriated from the State
15 General Fund to the Department of Education the sum of
16 \$2,250,000 to:

17 (a) Make grants to school districts to assist schools in
18 participating in the pilot program to provide competency-based
19 learning pursuant to NRS 389.210;

20 (b) Enter into a contract with a qualified entity to:

21 (1) Provide professional development to teachers and
22 administrators regarding the implementation of competency-based
23 learning programs; and

24 (2) Assist the Department in implementing the
25 recommendations made by the Commission on Innovation and
26 Excellence in Education pursuant to NRS 385.920.

27 2. Any remaining balance of the appropriation made by
28 subsection 1 must not be committed for expenditure after June 30,
29 2027, by the entity to which the appropriation is made or any entity
30 to which money from the appropriation is granted or otherwise
31 transferred in any manner, and any portion of the appropriated
32 money remaining must not be spent for any purpose after
33 September 17, 2027, by either the entity to which the money was
34 appropriated or the entity to which the money was subsequently
35 granted or transferred, and must be reverted to the State General
36 Fund on or before September 17, 2027.

37 **Sec. 26.** 1. There is hereby appropriated from the State
38 General Fund to the Commission on Innovation and Excellence in
39 Education created by NRS 385.910 for travel expenses of the
40 members of the Commission and the members of the Subcommittee
41 on Metrics created by section 1 of this act the following sums:

42 For the Fiscal Year 2025-2026..... \$25,000

43 For the Fiscal Year 2026-2027..... \$25,000

44 2. Any balance of the sums appropriated by subsection 1
45 remaining at the end of the respective fiscal years must not be



1 committed for expenditure after June 30 of the respective fiscal
2 years by the entity to which the appropriation is made or any entity
3 to which money from the appropriation is granted or otherwise
4 transferred in any manner, and any portion of the appropriated
5 money remaining must not be spent for any purpose after
6 September 18, 2026, and September 17, 2027, respectively, by
7 either the entity to which the money was appropriated or the entity
8 to which the money was subsequently granted or transferred,
9 and must be reverted to the State General Fund on or before
10 September 18, 2026, and September 17, 2027, respectively.

11 **Sec. 27.** The provisions of NRS 354.599 do not apply to any
12 additional expenses of a local government that are related to the
13 provisions of this act.

14 **Sec. 28.** 1. This act becomes effective on July 1, 2025.

15 2. Sections 18 to 21, inclusive, of this act expire by limitation
16 on June 30, 2032.

17 3. Section 15 of this act expires by limitation on June 30, 2035.

18 4. Sections 22 and 23 of this act expire by limitation on
19 June 30, 2036.

20 5. Section 16 of this act expires by limitation on December 31,
21 2056.



