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SECOND REPRINT

A.B. 436

ASSEMBLY BILL NO. 436—ASSEMBLYMEN MONROE-MORENO,  
NEAL, SPIEGEL, BUSTAMANTE ADAMS, CARRILLO; AND  
FRIERSON

MARCH 27, 2017

Referred to Committee on Taxation

SUMMARY—Revises provisions governing business.  
(BDR 18-1079)

FISCAL NOTE: Effect on Local Government: No.  
Effect on the State: Yes.

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EXPLANATION – Matter in *bolded italics* is new; matter between brackets ~~omitted material~~ is material to be omitted.

AN ACT relating to business; requiring the Office of Economic Development and the Regional Business Development Advisory Council for Clark County to provide certain businesses with information concerning public and private programs to obtain financing for small businesses; requiring the Secretary of State to ensure that the state business portal enables an applicant for the issuance or renewal of a state business license to provide certain information concerning the applicant; requiring the Secretary of State to provide through the state business portal and the Internet website of the Secretary of State certain information concerning public and private programs to obtain financing for small businesses and the process for obtaining certification as a disadvantaged business enterprise; and providing other matters properly relating thereto.

**Legislative Counsel's Digest:**

1 Existing law: (1) provides for the certification of eligible local emerging small  
2 businesses by the Office of Economic Development; and (2) requires the Office to  
3 establish an outreach program for local emerging small businesses to connect those  
4 businesses with state agencies seeking state purchasing contracts and contracts for  
5 public works of this State and goals concerning the participation of local emerging  
6 small businesses in those contracts. (NRS 231.1405, 231.14065, 231.1407) **Section**  
7 **1** of this bill requires the Office to provide a business certified as an eligible local  
8 emerging small business with certain information concerning public and private



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9 programs to provide financing to small businesses and the criteria for obtaining  
10 financing through such programs.

11 Existing law requires a person to obtain a state business license and pay an  
12 annual fee before conducting business within this State, unless the person is  
13 exempted from the requirement to obtain a state business license. (NRS 76.100,  
14 76.130) Existing law also requires the Secretary of State to establish the state  
15 business portal to facilitate transactions among businesses and governmental  
16 agencies in this State. (Chapter 75A of NRS) **Section 1.5** of this bill requires the  
17 Secretary of State to ensure that the state business portal enables an applicant who  
18 applies through the state business portal for the issuance or renewal of a state  
19 business license to indicate whether the applicant's business is a minority-owned  
20 business, a woman-owned business or a veteran-owned business. If the applicant  
21 indicates that the business is a minority-owned business, a woman-owned business  
22 or a veteran-owned business, **section 1.5** requires the Secretary of State to provide  
23 in electronic form through the state business portal information concerning: (1)  
24 certain public and private programs to provide financing to small businesses and  
25 the criteria for obtaining financing through such programs; and (2) how the person  
26 may become certified as a disadvantaged business enterprise for certain purposes  
27 related to contracting for transportation projects and qualifying for loans to  
28 disadvantaged business enterprises. **Section 4.5** of this bill additionally requires the  
29 Secretary of State to include and maintain such information on the Secretary of  
30 State's Internet website.

31 Existing law creates the Regional Business Development Advisory Council for  
32 Clark County and prescribes its duties. (Sections 15 and 20 of chapter 7, Statutes of  
33 Nevada 2003, 20th Special Session, at pp. 268-69) **Section 5** of this bill requires the  
34 Council to provide to local businesses owned and operated by disadvantaged  
35 persons certain information concerning public and private programs to provide  
36 financing to small businesses and the criteria for obtaining financing through such  
37 programs.

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

1 **Section 1.** NRS 231.14055 is hereby amended to read as  
2 follows:

3 231.14055 1. A business may apply, on a form prescribed by  
4 regulation of the Office, to the Office for certification as a local  
5 emerging small business. The application must be accompanied by  
6 such proof as the Office requires to demonstrate that the applicant is  
7 in compliance with the criteria set forth in NRS 231.1405 and any  
8 regulations adopted pursuant to NRS 231.1408.

9 2. Upon receipt of the application and when satisfied that the  
10 applicant meets the requirements set forth in this section, NRS  
11 231.1405 and any regulations adopted pursuant to NRS 231.1408,  
12 the Office shall ~~certify~~ :

13 (a) *Certify* the business as a local emerging small business ~~H~~ ;  
14 *and*

15 (b) *Provide to the business, in written or electronic form,*  
16 *information concerning public and private programs to provide*



1 *financing for small businesses and the criteria for obtaining*  
2 *financing through such programs. The information must include,*  
3 *without limitation, information concerning:*

4 *(1) Grants or loans of money from the Catalyst Account*  
5 *created by NRS 231.1573;*

6 *(2) The issuance of revenue bonds for industrial*  
7 *development pursuant to NRS 349.400 to 349.670, inclusive;*

8 *(3) The Nevada Collateral Support Program pursuant to 12*  
9 *U.S.C. §§ 5701 et seq.;*

10 *(4) The Nevada Microenterprise Initiative Program*  
11 *pursuant to 12 U.S.C. §§ 5701 et seq.;*

12 *(5) The Nevada New Markets Jobs Act pursuant to chapter*  
13 *231A of NRS;*

14 *(6) The Nevada Silver State Opportunities Fund pursuant*  
15 *to NRS 355.275;*

16 *(7) Loans from the Small Business Administration*  
17 *pursuant to 15 U.S.C. §§ 631 et seq.; and*

18 *(8) Any other private program to provide financing for*  
19 *small businesses approved by the Office.*

20 3. The Office shall compile a list of the local emerging small  
21 businesses certified pursuant to this section and post the list on its  
22 Internet website.

23 **Sec. 1.5.** Chapter 75A of NRS is hereby amended by adding  
24 thereto a new section to read as follows:

25 *1. The Secretary of State shall ensure that the state business*  
26 *portal enables a person who applies through the state business*  
27 *portal for the issuance or renewal of a state business license*  
28 *pursuant to chapter 76 of NRS to indicate whether the applicant is*  
29 *a minority-owned business, a woman-owned business or a*  
30 *veteran-owned business.*

31 *2. If a person who applies through the state business portal*  
32 *for the issuance or renewal of a state business license pursuant to*  
33 *chapter 76 of NRS indicates that the business is a minority-owned*  
34 *business, a woman-owned business or a veteran-owned business,*  
35 *the Secretary of State shall provide the following information to*  
36 *the person in electronic form through the state business portal:*

37 *(a) Information concerning programs to provide financing for*  
38 *small businesses. The information must include, without*  
39 *limitation, information concerning:*

40 *(1) Grants or loans of money from the Catalyst Account*  
41 *created by NRS 231.1573;*

42 *(2) The issuance of revenue bonds for industrial*  
43 *development pursuant to NRS 349.400 to 349.670, inclusive;*

44 *(3) The Nevada Collateral Support Program pursuant to 12*  
45 *U.S.C. §§ 5701 et seq.;*



1           ***(4) The Nevada Microenterprise Initiative Program***  
2 ***pursuant to 12 U.S.C. §§ 5701 et seq.;***

3           ***(5) The Nevada New Markets Jobs Act pursuant to chapter***  
4 ***231A of NRS;***

5           ***(6) The Nevada Silver State Opportunities Fund pursuant***  
6 ***to NRS 355.275;***

7           ***(7) Loans from the Small Business Administration***  
8 ***pursuant to 15 U.S.C. §§ 631 et seq.; and***

9           ***(8) Any other program to provide financing for small***  
10 ***businesses designated by the Secretary of State.***

11           ***(b) Information concerning the process by which the business***  
12 ***may become certified as a disadvantaged business enterprise for***  
13 ***the purposes of 49 C.F.R. § 26.5 or a program to provide***  
14 ***financing for disadvantaged business enterprises.***

15           ***3. The Secretary of State may adopt regulations as he or she***  
16 ***deems necessary to carry out the provisions of this section.***

17           ***4. As used in this section:***

18           ***(a) "Veteran" has the meaning ascribed to it in NRS 417.005.***

19           ***(b) "Veteran-owned business" means a business that:***

20           ***(1) Is owned by a natural person who is a veteran; or***

21           ***(2) Has at least 51 percent of its ownership interest held by***  
22 ***one or more veterans.***

23           ***Sec. 2. (Deleted by amendment.)***

24           ***Sec. 3. (Deleted by amendment.)***

25           ***Sec. 4. (Deleted by amendment.)***

26           ***Sec. 4.5. Chapter 225 of NRS is hereby amended to read as***  
27 ***follows:***

28           ***1. The Secretary of State shall include and maintain on the***  
29 ***Internet website of the Secretary of State information concerning:***

30           ***(a) Programs to provide financing for small businesses. The***  
31 ***information must include, without limitation, information***  
32 ***concerning:***

33           ***(1) Grants or loans of money from the Catalyst Account***  
34 ***created by NRS 231.1573;***

35           ***(2) The issuance of revenue bonds for industrial***  
36 ***development pursuant to NRS 349.400 to 349.670, inclusive;***

37           ***(3) The Nevada Collateral Support Program pursuant to 12***  
38 ***U.S.C. §§ 5701 et seq.;***

39           ***(4) The Nevada Microenterprise Initiative Program***  
40 ***pursuant to 12 U.S.C. §§ 5701 et seq.;***

41           ***(5) The Nevada New Markets Jobs Act pursuant to chapter***  
42 ***231A of NRS;***

43           ***(6) The Nevada Silver State Opportunities Fund pursuant***  
44 ***to NRS 355.275;***



1           ***(7) Loans from the Small Business Administration***  
2 ***pursuant to 15 U.S.C. §§ 631 et seq.; and***

3           ***(8) Any other program to provide financing for small***  
4 ***businesses designated by the Secretary of State.***

5           ***(b) The process by which the business may become certified as***  
6 ***a disadvantaged business enterprise for the purposes of 49 C.F.R.***  
7 ***§ 26.5 or a program to provide financing for disadvantaged***  
8 ***business enterprises.***

9           ***2. The Secretary of State may adopt regulations as he or she***  
10 ***deems necessary to carry out the provisions of this section.***

11           ***3. As used in this section:***

12           ***(a) "Veteran" has the meaning ascribed to it in NRS 417.005.***

13           ***(b) "Veteran-owned business" means a business that:***

14           ***(1) Is owned by a natural person who is a veteran; or***

15           ***(2) Has at least 51 percent of its ownership interest held by***  
16 ***one or more veterans.***

17           **Sec. 5.** Section 20 of the Regional Business Development  
18 Advisory Council for Clark County Act, being chapter 7, Statutes of  
19 Nevada 2003, 20th Special Session, as amended by chapter 142,  
20 Statutes of Nevada 2015, at page 550, is hereby amended to read as  
21 follows:

22           Sec. 20. 1. The Council shall propose and implement  
23 policies, programs and procedures to encourage and promote  
24 the use of local businesses owned and operated by  
25 disadvantaged persons, particularly in the area of contracting  
26 and procurement by public agencies in Clark County.

27           2. On or before November 1 of each year, each public  
28 entity which has a representative on the Council pursuant to  
29 subsection 1 of section 15 of this act shall prepare and deliver  
30 a written report to the Council for the immediately preceding  
31 fiscal year which contains:

32           (a) The number of persons employed by the public entity,  
33 disaggregated by major ethnic and racial categories,  
34 including, without limitation, African-American, Asian,  
35 Caucasian, Hispanic and Native American.

36           (b) Expenditures made by the public entity during the  
37 immediately preceding fiscal year, disaggregated by  
38 discretionary and nondiscretionary expenditures.

39           (c) The percentage of expenditures paid by the public  
40 entity to local businesses owned and operated by  
41 disadvantaged persons, disaggregated by ethnic and racial  
42 categories and by gender.

43           (d) A summary of the efforts and programs used by the  
44 public entity to encourage and increase the involvement in  
45 contracting local businesses owned and operated by



1 disadvantaged persons and any efforts or programs used by  
2 the public entity to encourage the economic development of  
3 local businesses owned and operated by disadvantaged  
4 persons.

5 (e) Such other information as the Council determines is  
6 necessary to achieve its goals.

7 3. The Council shall encourage each public and private  
8 entity which has a representative on the Council pursuant to  
9 subsection 2 of section 15 of this act to prepare and deliver to  
10 the Council an annual report similar to the report required  
11 pursuant to subsection 2.

12 4. *The Council shall provide to local businesses owned  
13 and operated by disadvantaged persons information, in  
14 written or electronic form, concerning public and private  
15 programs to provide financing for small businesses and the  
16 criteria for obtaining financing through such programs.  
17 The information must include, without limitation:*

18 (a) *Grants or loans of money from the Catalyst Account  
19 created by NRS 231.1573;*

20 (b) *The issuance of revenue bonds for industrial  
21 development pursuant to NRS 349.400 to 349.670, inclusive;*

22 (c) *The Nevada Collateral Support Program pursuant to  
23 12 U.S.C. §§ 5701 et seq.;*

24 (d) *The Nevada Microenterprise Initiative Program  
25 pursuant to 12 U.S.C. §§ 5701 et seq.;*

26 (e) *The Nevada New Markets Jobs Act pursuant to  
27 chapter 231A of NRS;*

28 (f) *The Nevada Silver State Opportunities Fund  
29 pursuant to NRS 355.275;*

30 (g) *Loans from the Small Business Administration  
31 pursuant to 15 U.S.C. §§ 631 et seq.; and*

32 (h) *Any other private lending opportunity for small  
33 businesses with which the Council has a working  
34 relationship.*

35 5. On or before January 15 of each odd-numbered year,  
36 the Council shall prepare a report regarding the policies,  
37 programs and procedures that the Council proposed and  
38 implemented during the immediately preceding 2 years to  
39 encourage and promote the use of local businesses owned and  
40 operated by disadvantaged persons, using the reports received  
41 pursuant to this section, and shall submit the report to the  
42 Director of the Legislative Counsel Bureau for transmittal to  
43 the next regular session of the Legislature.



- 1     **Sec. 6.** 1. This section and sections 1 and 5 of this act  
2 become effective on July 1, 2017.  
3     2. Sections 1.5 to 4.5, inclusive, of this act become effective on  
4 January 1, 2018.

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