ASSEMBLY BILL NO. 224-ASSEMBLYWOMAN NEAL

FEBRUARY 21, 2019

Referred to Committee on Taxation

SUMMARY—Revises provisions governing the NV Grow Program. (BDR S-28)

FISCAL NOTE: Effect on Local Government: No.

Effect on the State: Contains Appropriation not included in Executive Budget.

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

AN ACT relating to economic development; revising provisions governing the NV Grow Program; making an appropriation; and providing other matters properly relating thereto.

Legislative Counsel's Digest:

Existing law directs the Office of Economic Development within the Office of the Governor to develop, create and oversee the NV Grow Program to provide certain informational and technical assistance to existing small businesses in this State that are expanding or ready to expand. (Section 2 of chapter 459, Statutes of Nevada 2015, p. 2681, as amended by Chapter 430, Statutes of Nevada 2017, at page 2880) Section 2 of this bill transfers those responsibilities to the Division of Workforce and Economic Development of the College of Southern Nevada. Section 2 also requires that the Division manage the NV Grow Program and select the lead counselor for the NV Grow Program who will also serve as its coordinator and who must be an employee of the College of Southern Nevada. Sections 3-5 of this bill make conforming changes.

Section 6 of this bill appropriates \$425,000 to the Nevada System of Higher Education to enable the College of Southern Nevada to assist and carry out the NV Grow Program.

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

Section 1. The NV Grow Act, being chapter 459, Statutes of Nevada 2015, as amended by chapter 430 Statutes of Nevada 2017 at page 2880, is hereby amended by adding thereto a new section to



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be designated section 1.7, immediately following section 1.5, to read as follows:

- Sec. 1.7 As used in this act, unless the context otherwise requires, "Division" means the Division of Workforce and Economic Development of the College of Southern Nevada.
- **Sec. 2.** Section 2 of the NV Grow Act, being chapter 459, Statutes of Nevada 2015, as amended by chapter 430, Statutes of Nevada 2017, at page 2880, is hereby amended to read as follows:
 - Sec. 2. 1. The [Office,] Division, in consultation with the stakeholders group, shall develop, create and oversee the NV Grow Program to stimulate Nevada's economy with a view toward providing assistance to businesses that are already located and operating in this State rather than recruiting businesses from other states to relocate in Nevada.
 - 2. Under the auspices of the program:
 - (a) Institutions of the Nevada System of Higher Education located in Clark County and the Nevada Small Business Development Center in Clark County shall, in cooperation with the geographic information system specialist employed at the College of Southern Nevada, mentor and track businesses participating in the program in Clark County. The Clark County Department of Business License will coordinate with the College to provide such data as may be necessary for the operation of the program in Clark County.
 - (b) The Nevada Small Business Development Centers located in Clark County and Washoe County shall each cooperate with the geographic information system specialist employed to assist businesses in Clark County that are participating in the program with marketing and other efforts.
 - 3. The [Centers, jointly,] *Division* shall select the lead counselor and manage the NV Grow Program, which must include, without limitation:
 - (a) The employment of the lead counselor at the College of Southern Nevada who, in addition to his or her other duties, serves as the coordinator of the program;
 - (b) The employment of a geographic information specialist at the College of Southern Nevada who provides data to clients of the stakeholders group;
 - [(b)] (c) The appointment of the College of Southern Nevada as administrator of the geographic information system [;
 - (c) and fiscal agent for the program;
 - (d) An analysis and identification by the [Centers] Division of businesses and business sectors in this State that



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are ready to expand and a determination of which of these businesses and business sectors will participate in the program;

- [(d)] (e) Identification by the Centers and the Division of the skilled labor that exists in this State and its potential for growth;
- [(e)] (f) Targeting by the Centers and the Division of business sectors and occupations in this State that have demonstrated the ability to grow and stimulate the economy of the State;
- [(f)] (g) A focus by the Centers and the Division on the utilization of existing resources;
- [(g)] (h) The harnessing of the academic expertise of the College of Southern Nevada and the Centers to provide economic and market data to contribute to the diversification and growth of the economy of this State;
- [(h)] (i) The use of geographic information systems by the College of Southern Nevada and the Centers to map areas of this State to determine locations in which retail sales and other commerce are flourishing and locations in which retail sales and commerce demonstrate the capacity for further growth;
 - (i) The elements described in subsection 2;
- (k) The provision of informational and other assistance by the College of Southern Nevada to businesses and business sectors in this State, including, without limitation, business training, nontraditional marketing techniques and business mentoring; and
- [(k)] (1) Such other components as the [Office,] Division, in consultation with the stakeholders group, determines are likely to be necessary, advisable or advantageous for the growth and development of businesses located in this State.
- 4. The program shall, insofar as is possible, use the resources and expertise of the Centers and make available those resources and that expertise to businesses in this State for the purposes of:
- (a) Developing business connections and business mentorships within the program;
- (b) Exchanging data and other information with and between businesses and trade associations;
- (c) Creating and facilitating peer-to-peer mentoring sessions for participants in the NV Grow Program; and
- (d) Providing to businesses and business sectors data and other information that is calculated or otherwise generated through the use of geographic information systems.



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- 5. To the extent possible, the program must be conducted with the goal of selecting [15] at least 30 businesses in Clark County to participate in the program every year.
- 6. To qualify to participate in the program, a business must:
- (a) Have its principal place of business within the State of Nevada and have had its principal place of business in this State for at least 2 years;
- (b) Generate at least \$50,000 but not more than \$700,000 in revenue; and
 - (c) Have a business plan.
 - 7. As used in this section:
- (a) "Business plan" means a written statement of a set of business goals, the reasons those goals are believed to be attainable and the plan for reaching those goals.
- (b) "Centers" means all institutions of the Nevada System of Higher Education, including, without limitation, the College of Southern Nevada and the University of Nevada, Reno.
- (c) "Geographic information system" means a computerized database management system for the capture, storage, retrieval, analysis and display of spatial or locationally defined data.
- (d) <u>"Office" means the Office of Economic Development</u> within the Office of the Governor.
- (e)] "Stakeholders group" means a group of persons interested in economic development in this State selected by the [Office,] Division, including, without limitation, a representative of the College of Southern Nevada, the University of Nevada, Las Vegas, the Urban Chamber of Commerce of Las Vegas, the Las Vegas Latin Chamber of Commerce, the Henderson Chamber of Commerce, the Asian Community Development Council, the Valley Center Opportunity Zone, the University of Nevada Cooperative Extension in Clark County, Clark County and incorporated cities in Clark County [.] and various entities affiliated with the Small Business Administration.
- **Sec. 3.** Section 3 of the NV Grow Act, being chapter 459, Statutes of Nevada 2015, as amended by chapter 430, Statutes of Nevada 2017, at page 2882, is hereby amended to read as follows:
 - Sec. 3. In assisting and carrying out the program described in section 2 of this act, the Centers, as defined in section 2 of this act, shall, without limitation, perform the following services:





1 1. Analyze data; 2 2. Ensure that b

- 2. Ensure that businesses participating in the program understand the manner in which the data so analyzed will be applied to those businesses so that the businesses may make better business decisions and understand the current business market in which they exist;
- 3. Mentor the businesses as to the optimum use of data received under the program relative to the making of business decisions; and
- 4. With respect to the businesses participating in the program:
- (a) Track the business decisions and growth of each business over the entire period of the program; [and]
- (b) Report the data tracked pursuant to paragraph (a), at least once each 6 months, to the [Office of Economic Development within the Office of the Governor.] Division; and
- (c) Ensure the development of contacts with the Office of Economic Development and, if appropriate, the Regional Business Development Advisory Council for Clark County to facilitate participation in procurement programs and to further enhance the growth of each business.
- **Sec. 4.** Section 4 of the NV Grow Act, being chapter 459, Statutes of Nevada 2015, at page 2683, is hereby amended to read as follows:
 - Sec. 4. The [Office of Economic Development within the Office of the Governor] Division shall serve as a consultant to the stakeholders group described in subsection 2 of section 2 of this act, including, without limitation, collecting and analyzing data to ensure that the data used by the Centers is uniform.
- **Sec. 5.** Section 4.5 of the NV Grow Act, being chapter 459, Statutes of Nevada 2015, as amended by chapter 430, Statutes of Nevada 2017, at page 2883, is hereby amended to read as follows:
 - Sec. 4.5. The [Office of Economic Development within the Office of the Governor] Division may apply for any available grants, accept any gifts, grants or donations and use any such gifts, grants or donations to aid the [Office] Division in carrying out the program described in section 2 of this act.
- **Sec. 6.** 1. There is hereby appropriated from the State General Fund to the Nevada System of Higher Education, the sum of \$425,000 to allow the College of Southern Nevada to:
- (a) Provide or obtain such services as may be necessary to assist and carry out the Program;





- (b) Employ a geographic information specialist to assist small businesses who participate in the Program;
- (c) Employ the lead counselor selected pursuant to section 2 of the NV Grow Act;
- (d) Provide stipends for counselors and members of the faculty of the Nevada System of Higher Education who provide services in connection with the Program; and
- (e) Make direct program expenditures to assist and carry out the Program, including, without limitation, data software, marketing tools, interns, field trips and grants to members of the stakeholders group to assist and carry out the Program.
- 2. All money appropriated by the provisions of this section must be used only for the purposes specified in subsection 1 and no portion of the money may be set aside, distributed or otherwise committed or used for any other purpose, including any indirect costs incurred by any institution of the Nevada System of Higher Education, including, without limitation, the College of Southern Nevada.
- 3. As used in this section, "Program" means the NV Grow Program established pursuant to the NV Grow Act.
- **Sec. 7.** Any remaining balance of the appropriation made by section 6 of this act must not be committed for expenditure after June 30, 2021, by the entity to which the appropriation is made or any entity to which money from the appropriation is granted or otherwise transferred in any manner, and any portion of the appropriated money remaining must not be spent for any purpose after September 17, 2021, by either the entity to which the money was appropriated or the entity to which the money was subsequently granted or transferred, and must be reverted to the State General Fund on or before September 17, 2021.
- **Sec. 8.** Any remaining balance of money received by the Office of Economic Development within the Office of the Governor from any gifts, grants or donations accepted by the Office pursuant to section 4.5 of the NV Grow Act, as that section exists on June 30, 2019, that has not been committed for expenditure before July 1, 2019, must be transferred to an account in the State General Fund administered by the College of Southern Nevada for the purposes of carrying out the provisions of the NV Grow Act.
 - **Sec. 9.** This act becomes effective on July 1, 2019.





