

Amendment No. 832

Assembly Amendment to Assembly Bill No. 490

(BDR 22-586)

Proposed by: Assembly Committee on Revenue

Amends: Summary: No Title: Yes Preamble: No Joint Sponsorship: No Digest: Yes

ASSEMBLY ACTION			Initial and Date	SENATE ACTION			Initial and Date		
Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____	Adopted	<input type="checkbox"/>	Lost	<input type="checkbox"/>	_____
Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Concurred In	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____
Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____	Receded	<input type="checkbox"/>	Not	<input type="checkbox"/>	_____

EXPLANATION: Matter in (1) *blue bold italics* is new language in the original bill; (2) variations of green bold underlining is newly added language; (3) ~~red strikethrough~~ is deleted language in the original bill; (4) ~~purple double strikethrough~~ is language proposed to be deleted in this amendment; (5) ~~fuchsia double strikethrough~~ is new language in the bill proposed to be deleted in this amendment; (6) orange double underlining is deleted language in the original bill that is proposed to be retained in this amendment.

SHORT FORM AMENDMENT

Sections 4, 8, 10, 12, 14, 16, 18.5, 19, 20, 31, 36.3 and 36.7 of this act are the only sections affected by this amendment.

BJF



Date: 6/1/2023

A.B. No. 490—Authorizes the establishment of academic medical districts.
(BDR 22-586)



The Title of Assembly Bill No. 490 is hereby amended as follows:

AN ACT relating to economic development; authorizing the creation of an academic medical district in a contiguous area that meets certain requirements; requiring the governance of an academic medical district by a board of directors; prescribing the conditions and procedure for the dissolution of an academic medical district; authorizing the creation of a tax increment area and the issuance of bonds and other securities for certain projects within an academic medical district; authorizing an academic medical district to engage in certain other activity; requiring an academic medical district to report certain information to a participating governmental entity; prescribing the proper venue for an action against an academic medical district; authorizing a governmental entity to convey certain property rights to an academic medical district; authorizing a business located in an academic medical district to receive a partial abatement of certain taxes under certain conditions; authorizing certain public hospitals and the Board of Regents of the University of Nevada to enter into an agreement to affiliate with a public or private entity for certain purposes; and providing other matters properly relating thereto.

If this amendment is adopted, the Legislative Counsel's Digest will be changed as follows:

Legislative Counsel's Digest:

1 **Sections 1-25** of this bill enact provisions authorizing the creation of an academic
 2 medical district. **Section 2** of this bill provides that the provisions of those sections may be
 3 known and cited as the Academic Medical District Act. **Section 10** of this bill sets forth
 4 certain legislative findings concerning academic medical districts. **Section 11** of this bill
 5 requires the provisions of the Academic Medical District Act to be liberally construed to
 6 facilitate economic development and access to quality health care for the residents of this
 7 State.

8 **Section 4** of this bill defines "academic medical center" to mean a collaborative venture
 9 between an educational institution and a nonprofit or public hospital that ~~it~~ includes: (1)
 10 ~~[includes an accredited medical school and at least one school for certain other providers of~~
 11 ~~health care; and (2) owns or is affiliated with a teaching hospital or health care system.]~~ the
 12 school of medicine at the University of Nevada, Las Vegas, or the University of Nevada,
 13 Reno; (2) a teaching hospital that maintains an accredited program of residency training
 14 with a certain number of residency positions; and (3) a physician practice plan for
 15 teaching students and residents. **Sections 5-9** of this bill define certain other terms. **Section**
 16 **12** of this bill authorizes the creation of an academic medical district only in a contiguous area
 17 that includes an academic medical center, a full-service ~~nonprofit~~ public hospital with at
 18 least 200 inpatient beds and at least 50 acres of land. **Section 13** of this bill authorizes one or
 19 more boards of county commissioners or one or more governing bodies of incorporated cities,
 20 or both, to create an academic medical district by ordinance. **Section 13** requires such a
 21 participating entity to hold at least three public hearings before adopting such an ordinance.
 22 **Section 15** of this bill prescribes the procedure: (1) for a participating entity to withdraw from
 23 an academic medical district; and (2) to dissolve an academic medical district.

24 **Section 14** of this bill authorizes a participating entity to adopt an ordinance creating a
 25 tax increment area consisting of all or part of the academic medical district for the purpose of
 26 creating a special account for the payment of bonds or other securities issued to defray the

27 cost of certain infrastructure and capital projects within the academic medical district. If a
28 participating entity designates such a tax increment area, **section 14** provides for the allocation
29 of a portion of the taxes levied upon taxable property in the tax increment area each year to
30 pay the bond requirements of loans, money advanced to, or indebtedness incurred by the
31 municipality to finance or refinance the project. **Section 22** of this bill authorizes the issuance
32 of such bonds or securities by counties or incorporated cities that have created an academic
33 medical district.

34 **Section 16** of this bill: (1) requires an academic medical district to be governed by a
35 board of directors; and (2) prescribes the required qualifications and terms of such directors.
36 **Sections 16-18** of this bill establish certain procedures governing the operations of such a
37 board of directors.

38 **Section 18.5 of this bill authorizes a public hospital within an academic medical**
39 **district to enter into an agreement to affiliate with a publicly or privately owned entity to**
40 **undertake any project within the academic medical district and requires certain**
41 **approval of such an agreement before it becomes effective.**

42 **Section 19** of this bill authorizes an academic medical district to: (1) act jointly with other
43 persons and entities; (2) enter into agreements; (3) purchase insurance; **and** (4) market,
44 advertise and promote the academic medical district. ~~and (5) establish and maintain~~
45 ~~commercially reasonable compensation for use of the facilities of the academic medical~~
46 ~~district.] **Section 19 prohibits an academic medical district from taking action related to a**~~
47 **public hospital within the academic medical district that is within the authority of the**
48 **hospital governing board or the board of hospital trustees for the public hospital**
49 **pursuant to existing law. Section 20** of this bill authorizes an academic medical district to
50 ~~accept public and private funding.] **establish certain compensation for the use of the**
51 **facilities owned, constructed, operated or maintained by the academic medical district**
52 **but prohibits the academic medical district from establishing such compensation for**
53 **services provided at a public hospital within the academic medical district.**~~

54 **Section 23** of this bill requires an academic medical district, upon the request of a
55 participating entity, to report to the participating entity concerning issues and activities
56 necessary for the operation of the district. **Section 24** of this bill requires any action against an
57 academic medical district to be brought in the county where the principal office of the
58 academic medical district is located. **Section 25** of this bill authorizes any governmental entity
59 to convey certain rights in real property to an academic medical district.

60 Existing law authorizes the Office of Economic Development to approve an abatement or
61 partial abatement of certain property taxes, business taxes and sales and use taxes in certain
62 circumstances. (NRS 274.310, 274.320, 274.330, 360.750, 360.752, 360.753, 360.754)
63 **Section 31** of this bill authorizes a business located in an academic medical district or a
64 person who intends to locate or expand a business in an academic medical district to apply for
65 a partial abatement of: (1) local sales and use taxes imposed on the purchase of tangible
66 personal property used to provide health care or conduct scientific research; and (2) the excise
67 tax on wages paid to critical medical or scientific employees. **Section 31** requires the Office to
68 grant such an application if: (1) the applicant enters into an agreement authorizing the Office
69 to conduct audits of the applicant and to remain in business in the academic medical district
70 for a certain period of time; and (2) the Office finds that the business meets certain
71 requirements relating to wages and benefits for employees and economic activity in the
72 academic medical district. Additionally, if the applicant is requesting a partial abatement of
73 certain taxes imposed for the benefit of public schools, **section 31** requires the applicant to
74 obtain the approval of a supermajority of the Board of Economic Development. **Sections 35**
75 **and 36** of this bill provide for the duration and amount of the abatement of taxes if an
76 application for such an abatement is approved. **Sections 26-29 and 32-34** of this bill make
77 various changes so that a partial abatement granted pursuant to **section 31** is treated in the
78 same manner as other similar abatements authorized by law.

79 **Section 36.3 of this bill authorizes the Board of Regents of the University of Nevada**
80 **to enter into an agreement with a public or private entity, whether for profit or not for**
81 **profit, to promote and enhance an educational program or student life at an institution**
82 **within the Nevada System of Higher Education. Section 36.7 of this bill establishes that**
83 **any such agreement is subject to the policies established by the Board of Regents**
84 **governing contracts that faculty members and employees of the System may enter into**
85 **or from which they may benefit.**

Section 4 of Assembly Bill No. 490 is hereby amended as follows:

1 Sec. 4. *“Academic medical center” means a collaborative venture between*
 2 *an educational institution and a nonprofit or public hospital that* ~~[-]~~ *includes:*

3 1. ~~[Includes a] The school of medicine [that is accredited by the Liaison~~
 4 ~~Committee on Medical Education, or its successor organization, or a school of~~
 5 ~~osteopathic medicine that is accredited by the Commission on Osteopathic~~
 6 ~~College Accreditation, or its successor organization,]~~ *at the University of Nevada,*
 7 *Las Vegas, or the University of Nevada, Reno.*

8 2. ~~[Includes at least one school for the education of providers of health~~
 9 ~~care, other than physicians, dentists, nurses, optometrists or pharmacists,]~~ *A*
 10 *teaching hospital that maintains a program of residency training that is approved*
 11 *by the Accreditation Council for Graduate Medical Education, or its successor*
 12 *organization, and that maintains at least 100 positions for residents participating*
 13 *in the program; and*

14 3. ~~[Owns or is affiliated with a teaching hospital or health care system.] A~~
 15 *physician practice plan which provides for the teaching of students and residents*
 16 *and which is organized and maintained by the school of medicine described in*
 17 *subsection 1 or the teaching hospital described in subsection 2.*

Section 8 of Assembly Bill No. 490 is hereby amended as follows:

18 Sec. 8. *“Project” means:*

19 1. *An undertaking described in subsection 1 or 2 of NRS 278C.140.*

20 2. *A project for any infrastructure or capital project necessary or desirable*
 21 *~~for~~ to further the purposes of an academic medical district.*

Section 10 of Assembly Bill No. 490 is hereby amended as follows:

22 Sec. 10. *The Legislature hereby finds and declares that the creation of one*
 23 *or more academic medical districts:*

24 1. *Is essential to:*

25 (a) ~~[Develop and diversify the economy of the]~~ *Improve access to health care*
 26 *and outcomes of health care in this State;*

27 (b) ~~[Provide employment opportunities for Nevadans,]~~ *Increase the access of*
 28 *patients to clinical trials and health care provided as a result of clinical trials;*

29 (c) ~~[Increase the access of patients to clinical trials and health care provided~~
 30 ~~as a result of clinical trials,]~~ *Identify and address gaps in access to health care*
 31 *and health outcomes for minority populations and veterans in this State;*

32 (d) *Provide employment opportunities for Nevadans; and*

33 ~~[(d) Improve access to health care and outcomes of health care in this State.]~~
 34 (e) *Develop and diversify the economy of the State.*

35 2. *Will facilitate commerce and economic development in this State*
 36 *through:*

37 (a) *Strategic investment in facilities of postsecondary educational institutions*
 38 *and programs to increase the number of providers of health care in this State;*
 39 *and*

1 (b) *Comprehensive and, where feasible, joint planning, development,*
2 *management and operation of health care facilities and supporting infrastructure*
3 *to facilitate the growth of academic medical centers.*

Section 12 of Assembly Bill No. 490 is hereby amended as follows:

4 **Sec. 12.** *1. Subject to the requirements set forth in this section and*
5 *section 13 of this act, an academic medical district may be created only in a*
6 *contiguous area that includes:*

7 (i) *An academic medical center;*

8 (ii) *A full-service ~~nonprofit~~ public hospital with not less than 200 inpatient*
9 *beds; and*

10 (iii) *At least 50 acres of land.*

11 2. *All areas within the boundaries of an academic medical district must be*
12 *within the boundaries of the county or counties and incorporated city or cities, as*
13 *applicable, of one or more of the participating entities which create the academic*
14 *medical district in accordance with section 13 of this act.*

Section 14 of Assembly Bill No. 490 is hereby amended as follows:

15 **Sec. 14.** *1. If an academic medical district is created by one participating*
16 *entity, the participating entity, on behalf of the county or incorporated city in*
17 *which the academic medical district is located, may adopt an ordinance creating*
18 *a tax increment area within the academic medical district consisting of all or any*
19 *portion of the academic medical district for the purpose of creating a special*
20 *account for the payment of bonds or securities issued or loans, money advanced or*
21 *indebtedness incurred to defray the cost of a project, as supplemented by the*
22 *Local Government Securities Law.*

23 2. *If an academic medical district is created by two or more participating*
24 *entities, the participating entities may enter into an interlocal or cooperative*
25 *agreement for the ordering of a project whose boundaries encompass all or part*
26 *of the academic medical district and the creation of the tax increment area and*
27 *the tax increment account pertaining thereto. A tax increment area created*
28 *pursuant to this subsection must be administered as provided in the interlocal or*
29 *cooperative agreement, notwithstanding any provision of this section to the*
30 *contrary. If the participating entities enter into an interlocal or cooperative*
31 *agreement pursuant to this subsection, the participating entities may, in*
32 *accordance with the procedures set forth in the interlocal or cooperative*
33 *agreement:*

34 (i) *Jointly take any action required to be taken by a participating entity for*
35 *the creation of a tax increment area pursuant to this section, except that each*
36 *governing body must adopt an ordinance in order to create the tax increment*
37 *area;*

38 (ii) *Enter into contracts for the undertaking; and*

39 (iii) *Issue bonds or otherwise finance the cost of the undertaking.*

40 3. *A participating entity may amend an ordinance creating a tax increment*
41 *area pursuant to this section by adopting a supplemental ordinance to:*

42 (i) *Modify the project by specifying new projects or removing or modifying*
43 *projects specified in the original ordinance.* ~~++~~

1 (b) ~~Add~~ Except as otherwise provided in this paragraph, add areas to or
2 remove areas from a tax increment area. ~~And~~ An area may be added to the tax
3 increment area only if the participating entity finds that the addition of the area
4 to the tax increment area:

5 (1) Increases access to clinical trials or clinical research within the
6 academic medical district;

7 (2) Is necessary to accommodate the expansion of the medical school
8 within the academic medical district; or

9 (3) Otherwise promotes the purposes of the academic medical district
10 related to health care.

11 (c) Make such other changes, additions or deletions as the governing body
12 determines will further its objectives within the tax increment area.

13 ↳ The amount of taxes to be allocated to a tax increment area pursuant to
14 subsection ~~5~~ 6 must be computed separately for the original tax increment area
15 and each addition of land thereto.

16 4. A participating entity shall not adopt an ordinance creating a tax
17 increment area pursuant to this section unless:

18 (a) The board has determined that the project described in the ordinance is
19 necessary or desirable to further the purposes of the academic medical district.

20 (b) The participating entity makes a finding at a public hearing that the
21 project will benefit the academic medical district.

22 5. If the participating entity is not the board of county commissioners for
23 the county in which the academic medical district is or will be located, the
24 participating entity must, at least 45 days before making the finding required by
25 subsection 4, provide to the board of county commissioners in the county in
26 which the academic medical district is or will be located:

27 (a) Written notice of the time and place of the meeting at which the
28 participating entity will consider making that finding; and

29 (b) Each analysis prepared by or for or presented to the participating entity
30 regarding the fiscal effect of the project and the use of any money proposed to be
31 pledged pursuant to section 22 of this act on the provision of local governmental
32 services.

33 ↳ After the receipt of the notice required by this subsection and before the date
34 of the meeting at which the participating entity will consider making the finding
35 required by subsection 4, the board of county commissioners may conduct a
36 hearing regarding the fiscal effect on local governmental services, if any, of the
37 project and the use of any money proposed to be pledged pursuant to section 22
38 of this act, and may submit to the participating entity any comments regarding
39 that fiscal effect. The participating entity may consider those comments when
40 making any finding pursuant to subsection 4.

41 6. After the effective date of the ordinance adopted pursuant to subsection
42 1, any taxes levied upon taxable property in the tax increment area each year by
43 or for the benefit of the State, the municipality and any public body must be
44 divided as follows:

45 (a) That portion of the taxes that would be produced by the rate upon which
46 the tax is levied each year by or for each of those taxing agencies upon the total
47 sum of the assessed value of the taxable property in the tax increment area as
48 shown upon the last equalized assessment roll used in connection with the
49 taxation of the property by the taxing agency, must be allocated to and when
50 collected must be paid into the funds of the respective taxing agencies as taxes by
51 or for the taxing agencies on all other property are paid.

52 (b) Except as otherwise provided in this section, the portion of the taxes
53 levied each year in excess of the amount determined pursuant to paragraph (a)

1 *must be allocated to, and when collected must be paid into, the tax increment*
 2 *account pertaining to the undertaking to pay the bond requirements of loans,*
 3 *money advanced to, or indebtedness, whether funded, refunded, assumed or*
 4 *otherwise, incurred by the municipality to finance or refinance, in whole or in*
 5 *part, the undertaking. Unless the total assessed valuation of the taxable property*
 6 *in the tax increment area exceeds the total assessed value of the taxable property*
 7 *in the area as shown by the last equalized assessment roll referred to in this*
 8 *subsection, all of the taxes levied and collected upon the taxable property in the*
 9 *area must be paid into the funds of the respective taxing agencies. When the*
 10 *loans, advances and indebtedness, if any, and interest thereon, have been paid,*
 11 *all money thereafter received from taxes upon the taxable property in the tax*
 12 *increment area must be paid into the funds of the respective taxing agencies as*
 13 *taxes on all other property are paid.*

14 ~~16.1~~ 7. *The portion of the taxes levied each year in excess of the amount*
 15 *determined pursuant to paragraph (a) of subsection ~~15.1~~ 6 which is attributable to*
 16 *any tax rate levied by a taxing agency:*

17 (a) *To produce revenue in an amount sufficient to make annual repayments*
 18 *of the principal of, and the interest on, any bonded indebtedness that was*
 19 *approved by a majority of the registered voters within the area of the taxing*
 20 *agency voting upon the question, must be allocated to, and when collected must*
 21 *be paid into, the debt service fund of that taxing agency.*

22 (b) *In excess of any tax rate of that taxing agency applicable to the last*
 23 *taxation of the property before the effective date of the ordinance, if that*
 24 *additional rate was approved by a majority of the registered voters within the area*
 25 *of the taxing agency voting upon the question, must be allocated to, and when*
 26 *collected must be paid into, the appropriate fund of that taxing agency.*

27 (c) *Pursuant to NRS 387.3285 or 387.3287, if that rate was approved by a*
 28 *majority of the registered voters within the area of the taxing agency voting upon*
 29 *the question, must be allocated to, and when collected must be paid into, the*
 30 *appropriate fund of that taxing agency.*

31 (d) *For the support of the public schools within a county school district*
 32 *pursuant to NRS 387.195, must be allocated to, and when collected must be paid*
 33 *into, the State Education Fund.*

34 ~~17.1~~ 8. *The provisions of paragraph (a) of subsection ~~16.1~~ 7 include, without*
 35 *limitation, a tax rate approved for bonds of a county school district issued*
 36 *pursuant to NRS 350.020, including, without limitation, amounts necessary for a*
 37 *reserve account in the debt service fund.*

38 ~~18.1~~ 9. *A tax increment area must expire not more than 30 years after the*
 39 *date on which the ordinance which creates the area becomes effective.*

40 ~~19.1~~ 10. *As used in this section, the term "last equalized assessment roll"*
 41 *means the assessment roll in existence on the 15th day of March immediately*
 42 *preceding the effective date of the ordinance.*

Section 16 of Assembly Bill No. 490 is hereby amended as follows:

43 **Sec. 16. 1.** *An academic medical district must be governed by a board of*
 44 *directors with an odd-numbered membership set by the participating entity or*
 45 *entities. If there is more than one participating entity, the membership of the*
 46 *board of directors must be agreed to by all of the participating entities. The board*
 47 *of directors must be composed of:*

1 (a) One director appointed by each county that is a participating entity, if
2 any;

3 (b) One director appointed by each city that is a participating entity, if any;

4 ~~and~~
5 (c) One director who is a member of the board of hospital trustees of a public
6 hospital located in the academic medical district, selected from a nomination
7 made by that board of hospital trustees; and

8 (d) Any other directors appointed in accordance with this section and as
9 provided in an ordinance adopted by a participating entity pursuant to section 13
10 of this act ~~f.7~~, which must include, without limitation, at least one but not more
11 than two directors who are members of the participating entity.

12 2. A director of an academic medical district must work or reside within the
13 boundaries of the participating entity that appoints him or her.

14 3. ~~The following persons are not eligible to be appointed to a board:~~

15 ~~(a) An elected official of any governmental entity.~~

16 ~~(b) An employee of a participating entity.~~

17 ~~4.7~~ Except as otherwise provided in this section, the directors of an
18 academic medical district must be appointed to terms of 4 years. The terms must
19 be staggered in such a manner that, to the extent possible, the terms of one-half
20 of the directors will expire every 2 years. The initial directors of the academic
21 medical district shall, at the first meeting of the board after their appointment,
22 draw lots to determine which directors will initially serve terms of 2 years and
23 which will serve terms of 4 years. A director may be reappointed.

24 ~~5.7~~ 4. A vacancy occurring during the term of a director must be filled by
25 the appointing participating entity for the unexpired term as soon as is
26 reasonably practicable.

NEW section 18.5 of Assembly Bill No. 490 is hereby added as follows:

27 Sec. 18.5. A public hospital located within an academic medical district
28 may enter into an agreement to affiliate with a publicly or privately owned entity,
29 whether for profit or not for profit, to undertake any project within the academic
30 medical district. Before becoming effective, any such agreement must be
31 approved by the hospital governing board and the board of hospital trustees for
32 the public hospital.

Section 19 of Assembly Bill No. 490 is hereby amended as follows:

33 **Sec. 19. 1. An academic medical district may:**

34 (a) Act jointly with any other person, private or public, inside or outside this
35 State or the United States, in the performance of any power or duty under this
36 chapter.

37 (b) Enter into an agreement with any person, including, without limitation,
38 the United States or any other governmental entity, for any purpose of the
39 academic medical district.

40 (c) Purchase and pay premiums for insurance of any type in an amount
41 considered necessary or advisable by the board.

1 (d) Market, advertise and promote the use of any real or personal property
 2 that the academic medical district constructs, owns, leases, operates ~~or regulates~~
 3 or maintains.

4 2. An academic medical district may not:

5 (a) Exercise the power of eminent domain.

6 (b) Provide retail utility services or duplicate a service or facility of a
 7 governmental entity.

8 (c) Take any action related to a public hospital within the academic medical
 9 district that is within the authority of the hospital governing board or the board of
 10 hospital trustees for the public hospital pursuant to chapter 450 of NRS.

Section 20 of Assembly Bill No. 490 is hereby amended as follows:

11 Sec. 20. 1. ~~Ann~~ Except as otherwise provided in this subsection, an
 12 academic medical district shall establish and maintain rates, rentals, fees,
 13 charges or other compensation that is commercially reasonable and
 14 nondiscriminatory for the use of the facilities owned, constructed, operated ~~or~~
 15 ~~regulated~~ or maintained by the academic medical district. An academic medical
 16 district may not establish and maintain rates, rentals, fees, charges or other
 17 compensation for services provided at a public hospital within the academic
 18 medical district.

19 2. An academic medical district may accept any public or private funding,
 20 grant or donation.

Section 31 of Assembly Bill No. 490 is hereby amended as follows:

21 Sec. 31. Chapter 360 of NRS is hereby amended by adding thereto a new
 22 section to read as follows:

23 1. An owner of a business that provides health care or conducts scientific
 24 research and is located within the boundaries of an academic medical district or
 25 a person who intends to locate or expand such a business within the boundaries
 26 of an academic medical district may apply to the Office of Economic
 27 Development pursuant to this section for a partial abatement of one or more of:

28 (a) The local sales and use taxes imposed on the purchase or use of tangible
 29 personal property described in section 36 of this act.

30 (b) The taxes imposed pursuant to chapter 363B of NRS on the wages paid
 31 by the business to critical medical or scientific employees, as defined by
 32 regulation of the Office of Economic Development.

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

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

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

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

1 (3) States that the business will, after the date on which a certificate of
2 eligibility for the partial abatement is issued pursuant to subsection 4, continue in
3 operation within the boundaries of the academic medical district for a period
4 specified by the Office, which must be not less than 5 years, and will continue to
5 meet the eligibility requirements set forth in this subsection; and

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

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

11 (c) The average hourly wage that will be paid by the business to its employees
12 in this State during the period of partial abatement is not less than ~~100~~ 125
13 percent of the average statewide hourly wage as established by the Employment
14 Security Division of the Department of Employment, Training and Rehabilitation
15 on July 1 of each fiscal year;

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

22 (e) If the business is:

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

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

30 (f) The business meets at least one of the following requirements:

31 (1) The business will make a new capital investment of at least \$250,000
32 within the boundaries of the academic medical district where the business is
33 located within 1 year after receiving a certificate of eligibility for a partial
34 abatement;

35 (2) The business will maintain and possess within the boundaries of the
36 academic medical district where the business is located tangible personal property
37 having a value of not less than \$5,000,000 during the period of partial
38 abatement; or

39 (3) The business develops, refines or owns a patent or other intellectual
40 property; and

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

45 3. The Office of Economic Development:

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

49 (b) Must not:

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

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

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

6 (a) The Department; and

7 (b) The Nevada Tax Commission.

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

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

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

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

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

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

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

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

38 10. An applicant for a partial abatement who is aggrieved by a final
39 decision of the Office of Economic Development may petition a court of
40 competent jurisdiction to review the decision in the manner provided in chapter
41 233B of NRS.

42 11. As used in this section:

43 (a) "Academic medical district" has the meaning ascribed to it in section 5 of
44 this act.

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

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

NEW section 36.3 of Assembly Bill No. 490 is hereby added as follows:

1 **Sec. 36.3. Chapter 396 of NRS is hereby amended by adding thereto a**
2 **new section to read as follows:**

3 **1. The Board of Regents may enter into an agreement to affiliate with a**
4 **publicly or privately owned entity, whether for profit or not for profit, to further**
5 **promote and enhance an educational program or student life at an institution**
6 **within the System.**

7 **2. An agreement entered into pursuant to this section must include, without**
8 **limitation:**

9 **(a) Standards that must be met by the entity;**

10 **(b) An allocation of any costs or profits that must be shared between the**
11 **entity and the institution;**

12 **(c) Identification of shared goals and responsibilities;**

13 **(d) Provisions governing the joint employment and supervision of employees,**
14 **if applicable;**

15 **(e) Provisions governing the shared review and allocation of the use of**
16 **facilities, resources and employees, if applicable; and**

17 **(f) A provision stating that the requirements of NRS 338.020 to 338.090,**
18 **inclusive, apply to any construction work performed under the agreement even if**
19 **the construction work does not qualify as a public work, as defined in NRS**
20 **338.010.**

NEW section 36.7 of Assembly Bill No. 490 is hereby added as follows:

21 **Sec. 36.7. NRS 396.255 is hereby amended to read as follows:**

22 396.255 The Board of Regents shall, to carry out the purposes of subsection 3
23 of NRS 281.221, subsection 3 of NRS 281.230, subsection 3 of NRS 281A.430 and
24 NRS 396.1215, **and section 36.3 of this act,** establish policies governing the
25 contracts that faculty members and employees of the System may enter into or
26 benefit from.